THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Christmas Number

December 21, 1940

Netherlands East Indies Faces Urgent Problems of Defense in Pacific

Crisis Looms in Japan

BY JOHN AHLERS

Shanghai Radio "Jam" Scandal

Wang's "Monte Carlo" Regime

Chinese Red Cross Braves Nippon Bombs to Carry on Work of Mercy

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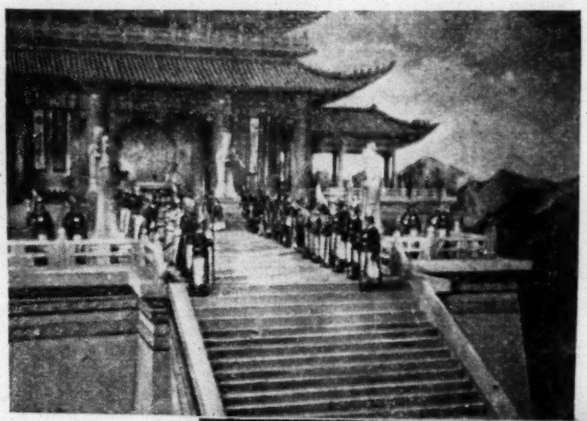

This picture shows the Palace of Emperor Wu built on the Tiger Hill at Soochow for Shi Shi.

Emperor Wu enjoys Lotus together with Shi Shi in a lake at Soochow.

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

EVACUATION URGED

To the Editor:

Reports indicate that many Americans intend to remain in Japan and the occupied areas of China despite three or four warnings and requests to leave as soon as possible.

I know well enough how difficult it is for men and women to leave a place where they have taken root. I understand the sacrifices involved. I admire the courage of those who remain behind in the face of such dangers as exist.

Yet I would like to add my voice to those who are urging immediate evacuation. Americans—newspaper correspondents, heads of big firms, relief directors, etc.—no doubt must remain longer for obvious reasons, but the number should not exceed that which the U.S. Marines can easily take with them when they depart.

The others, who are not absolutely vital, should go at once. The presence of large numbers of American citizens in the trouble zones where they can be murdered or imprisoned for purposes of torture by the Japanese, is hamstringing the U.S. Government's strong policy in the Far East.

Make no mistake about it. The United States is preparing to take strong action against the Japanese in the immediate future, and war may result. The U. S. is quite prepared now to handle the Japanese Navy and the remnants of Japan's so-called "invincible" Army. The U. S. Navy is eager to sink the Japanese Navy as soon as possible so that it no longer need face a two-ocean threat. The steps already taken in preparation for the Japanese-American war are common knowledge here but I do not know how much has leaked out to Shanghai and perhaps it is not wise to recount them in this letter.

In any case, the Government is reluctant to move so long as the areas dominated by the Japanese contain large numbers of Americans easily subject to reprisal measures. It is no longer a case of personal courage, but of consideration for American foreign policy. The sooner the Japanese are taken care of, the sooner will peace and order prevail, so that Americans can resume their business in equal competition with other nationals in the Orient.

EARL H. LEAF.

24 - Fifth Avenue,
New York City. Nov. 20, 1940.

Editor's Note:—Mr. Leaf was connected with the UNITED PRESS in China for several years and prior to his departure was manager of the U. P. office in Tientsin. Since returning to the United States (by way of Europe), Mr. Leaf has become well known as a writer and lecturer on China. He is now registered with the Department of State as China's chief publicity representative in the United States.

REAL TRUTH!

To the Editor:

Upon arriving at Chengtu, I had the good fortune of receiving copies of **The China Weekly Review** which had been mailed to me at Shiuchow. I like to read **The Review** because it is one of the few papers in this part of the world "which dares to look the devil square in the eyes and tell him that he is a devil."

T. S. CHANG

Chengtu, Szechuen,
Oct. 25, 1940.

ABSORBED

To the Editor:

After reading one copy of your magazine, I feel appreciably absorbed in the current news therein embodied, that I hope to be one of your regular subscribers. But, being unaware of your rules and regulations, I will feel obliged if you will furnish me with fullest details and particulars as regards the method of remitting the prescribed fees, etc., so that with your advices in mind, my remittance cannot go astray through the post or otherwise. Could I buy a certain amount of International Coupon?

L.Y.P.

Batavia, Nov. 7, 1940.

LIGHT WANTED

To the Editor:

On last Saturday morning a friend of mine went marketing at Tsao Chia Tu through Yu Yuen Road where she saw trucks and trucks of barbed wire coming from the western area. On the same day another friend of mine while walking through Avenue Road to Jessfield Road at 1:30 p.m. found barricades already put up, which were not there in the morning. That very evening I was informed through the broadcast that the assasination of a Japanese sentry occurred at 2:30 p.m., which brought the restrictions to the extension roads. Kindly enlighten my muddled mind as to such magic foresight.

IGNORANT.

Shanghai, Dec. 4, 1940.

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

J. B. POWELL, *Editor and Publisher*

C. FRANK GLASS, HOH CHIH-HSIANG, *Assistant Editors;*

C. Y. W. MENG, S. T. HSIEH, *Correspondents.*

F. K. CHAO, *Business Manager* TRYPHON V. KU, *Advertising Manager*

JAMES Y. M. WU, *Circulation Manager*

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December 18, 1940

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Goodyear T. & R.	11¾
Gt. Nthrn. Rly., pfd.	25⅞
Lockheed Aircraft	27
Mont. Ward	36½
N. Y. Central	13¼
Texas Corp	39½
U. S. Steel	67½

COMMODITIES

New York Cotton, Jan.	10.01
New York Rubber, Jan.	20.40
New York Hides, Mar.	12.55/55
Chicago Wheat, May	84/84½
Chicago Corn, May	60¼/60¼
New York Sugar, No. 4, Mar.	0.73½B/74A

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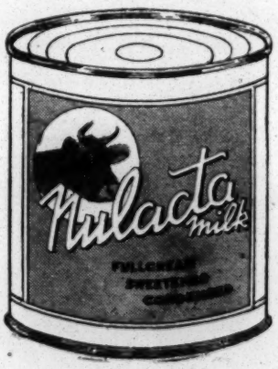

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ATTEMPT OF JAPANESE MILITARY TO STIFLE SHANGHAI RADIO

THE German *Transocean* news service, which distributes voluminous reports of Nazi activities in Europe and Nazi interpretations of happenings throughout the world to local newspapers, issued a radio message on Tuesday of this week stating that Italy was "taking stern measures against persons listening to broadcasts by foreign radio stations." One case was reported at Cuneo where a man and his nephew were handed over to the authorities when the police caught them listening to a London broadcast in their flat. Their radio receiving set was confiscated, stated the report.

No explanation is needed on our part as to the reason for this latest act of the Fascist regime in Italy. Anyone familiar with happenings on the Albanian and African fronts will understand why the Italian dictator and his associates desire to prevent Italians from listening to news reports from abroad.

The case is mentioned because of its similarity to attempts on the part of the Japanese military authorities here to prevent local uncensored broadcasting stations from issuing news reports and comment on wave-lengths which would carry beyond a few miles from the borders of the International Settlement.

The Japanese have long had stringent regulations against listening to foreign stations on the part of the residents of Japan. The charges against most of the Britons arrested on spy accusations in Japan last summer included allegations that they had listened to foreign broadcasts from Shanghai and Manila. Prof. W. P. C. De Trafford, a British subject who had taught in Japanese schools for more than 20 years was one of the victims of this Japanese persecution. After long detention and ridiculous interrogation by ignorant police officials, he was released on parole and left the country, being forced to sacrifice his pension. He was fined 300 yen for possessing a long-wave radio receiving set which he had purchased in Japan and duly licensed in accordance with the regulations. He stated that the shop from which he had purchased the set had supplied him with a printed list of stations within range of the set.

The action taken against the Britons in Japan for allegedly listening to radio broadcasts from Shanghai and Manila, where uncensored news messages are issued, gives some idea of the seriousness of the restrictions which are enforced on the Japanese people. But despite these restrictions there is evidence that the Japanese people, or at least some of them are listening to the Shanghai and Manila broadcasts. This is particularly true on the part of Japanese military units stationed in China. Numerous cases have been reported where Japanese soldiers gather about a radio set seized from some Chinese home or shop, while one man with a knowledge of English or Chinese translated the reports into the Japanese language. How they manage it in Japan is not known, but the Japanese military authorities who are using all methods to create their "new order" in China and a "new structure" in Japan, apparently have decided to attack the problem at its source by stifling the Shanghai stations. They have not yet mustered up sufficient courage to attempt to blot out the Manila stations, but that may come in the event they are successful here.

Independent Chinese-owned radio stations in Shanghai were long ago compelled to submit to Japanese censorship and control, but the foreign-owned and managed stations have thus far managed to continue their morning, noon, dinner and evening broadcasts. Of the foreign stations here, one is British, two or three are American, one is German (Nazi) and the French have one station. One of the American stations, operated by

Cupid—New Style!

missionary interests, allegedly was compelled to submit to the Japanese demands that its power be reduced so that the station could not be heard more than 50 miles from the city. This created a crisis in the missionary communities because families living in the outports depended upon the station for information concerning their interests. It was alleged that the Japanese action against the mission radio station was an essential part of the Japanese plan to restrict foreign missionary activities in favor of the Japanese scheme to force all religious denominations to amalgamate into one Japanese-controlled body.

It also was reported that the Japanese compelled the French radio station to reduce its power, which had the effect of depriving several hundred French, Belgian, Italian and other European Catholic missionaries from listening to the French news reports. The French woman who has charge of the broadcasts declared that she had confined herself strictly to news and cultural

programs. Since the Nazi station is operated by fellow travellers of the Axis there probably has been no Japanese interference with the "Voice of Europe," or the local "Lord Haw-haw," whose programs consist largely in "exposing" alleged inaccuracies and omissions in the British war reports. There also has been no interference, or at least no public complaints of interference, on the part of the British broadcasting station, which issues reports in a half-dozen European languages in addition to English, for the benefit of nationals here of governments—overturned by Hitler—which the British have taken under their wing in London.

The Japanese attack on American stations has been concentrated on XMHA which disseminates the news broadcasts of Carroll Alcott, member of the editorial staff of *The China Press*. Alcott is the outstanding news broadcaster and commentator in the Far East and his listeners, numbering many thousands and of various nationalities, reside all the way from Peiping to Hongkong and from Chungking to Japan. Alcott uses the reports of United Press, Reuters, International News, Havas and Transocean, hence it is obvious that the Japanese have reserved no place in either their "new order" or their "new structure," for the booming voice of this American whose programs are fostered by Anglo-American companies having offices here such as General Foods, Daggett and Ramsdell (perfumes) and the British Union Brewery.

According to a report in the *Evening Post* on Tuesday of this week, the Japanese interference which has taken the form of a "howler" which issues intermittant blasts on the same wave-length as XMHA, was traced to a Japanese warship anchored in the Whangpoo. The manager of the station said that he had received a demand from the Japanese Radio Control Board, headed by a Major Asano, that the station limit its power to 200 watts and submit all news reports to the Japanese for censorship.

Apparently as part of the Japanese censorship program it also was announced this week that the Japanese had handed over control of the Press Censorship Office, which the Japanese military set up here shortly after the occupation, to the Wang Ching-wei puppet government in Nanking. The announcement of the transfer was made by Col. Takeo Imai, chief of the press section of the Japanese Expeditionary forces in China. Col. Imai admitted in his statement (Domei from Nanking, Dec. 16) that the censorship had largely been ineffective because most of the Shanghai newspapers had re-incorporated under the corporate regulations of foreign countries which possess extraterritorial treaties. Col. Imai claimed that his attempt to censor the local Chinese papers was for the purpose of "maintaining peace and order," and "because of military necessity." He claimed that the Municipal police authorities had cooperated with the Japanese censorship office in "prohibiting the publication of undesirable papers," but admitted the existance of "many anti-Japanese newspapers; which are continuing in publication." He said that while he was turning over the censorship business to the Nanking authorities, the Japanese Army intended to cooperate in "wiping out organs which act as mouthpieces of the Chungking regime." Lin Pai-sheng, Minister of Publicity of the Nanking Government, stated in an interview that he "always had been of the opinion that the press should be subject to proper supervision and guidance." He thought that the press should "struggle for Wang Ching-wei's program of peace, anti-communism and reconstruction."

THE TITLEBAUM INCIDENT

Of interest in connection with the subject of pressure on the foreign press and broadcasting stations was the Sam Titlebaum "incident" last week. Sam Titlebaum came to Shanghai several months ago as the correspondent for the *Seattle Star*, and quickly became known as Shanghai's No. 2 broadcaster and commentator over Station XMHC which is owned by the Shanghai Evening Post and Mercury. Titlebaum was born and grew up in and about Chicago and carries a bullet in his hip joint as a result of a gun-duel with a gangster when Titlebaum was a member of the Chicago Police Department. The bullet incapacitated him for active duty, so he resigned and joined the Chicago *City News Bureau*, from which practical school he ultimately graduated into journalism and a position on the *Seattle Star*. His news broadcasts and commentaries have been in the manner of Walter Winchell and, as stated, were second in popularity to those of Caroll Alcott over XMHA.

"Were You Speaking to Me?"

Shanghai Evening Post

Aside from his ability as a broadcaster he has a reputation as the best marksman with a pistol (learned in Chicago) of any newspaperman in Shanghai where most editors go about armed and accompanied by bodyguards. It should be of more than casual interest to Sam's detractors that he recently knocked down 22 out of 24 moving targets at the local Gordon Road police revolver range.

But to get back to the subject, Titlebaum's 9:30 P.M. broadcast was sponsored by the British General Electric Company of China, subsidiary of the British G. E. Company of London and Manchester. On the evening of Wednesday, Dec. 11, his listeners were startled to hear Titlebaum announce that his broadcast, sponsored by G.E.C. had been terminated by George C. Bruce, vice-president and general manager of the *Post-Mercury Company* on the ground that it was "unsuitable" for the *Post-Mercury* broadcast. Titlebaum then declared that Bruce's action had been taken as a result of a broadcast which he had delivered on the evening of Nov. 27, in which he had castigated the totalitarian powers—and Japan—and had declared that the United States "would finance Britain and China to the last dollar at Fort Knox, Kentucky, where the United States keeps its gold." He concluded the Nov. 27 broadcast with the declaration,

> "There is no question of a choice, when it comes to fighting a blight on humanity that has to be

fought, between doing it with American dollars or doing it with American blood."

Titlebaum, in his Dec. 11 broadcast declared that the only people, within his imagination, to whom the clear-cut American policy of more help "to Britain and China could be offensive, would be to representatives or supporters of Tokyo or Berlin." He concluded this paragraph by stating "if anybody or any organization has sufficient influence and pressure to bring about the removal of a program from the air, for reiterating American policy over this all-American radio station, then I don't belong in this organization from the moment that influence or pressure takes effect." Titlebaum then played the Star Spangled Banner and "signed off."

The Titlebaum declaration naturally created a sensation and forced the *Evening Post* to make an explanation —or protestation—that it had not been forced to change its policy. The statement (second to be made within the month) took the form of answering a "letter to the editor,' which bore the earmark of having been written in the office. The previous statement was in the form of an editorial denial of a "whispering campaign" concerned with the pending departure of Randall Gould, Editor, who announcedly is going to New York to become public relations counsel for C. V. Starr's headquarters in New York. Mr. Starr is the chief owner of the *Evening Post*. Mr. Gould (whose name was on the Wang Ching-wei blacklist) denied that his departure resulted from Japanese pressure. The letter of questions and answers which appeared on the editorial page on Friday, Dec.13, two days following the Titlebaum broadcast, was as follows:

Questions

1—Have your enterprises been sold, whether to Wang Ching-wei, the Japanese, or anybody else? If not, is such a sale in prospect?

2—Have your editorial policies changed? Is it true that there will be a change in some near future?

3—Has the Editor been discharged, or has he resigned, or is he leaving as of the first of the year for any reason?

4—Was a broadcast of the Post-Mercury's radio station stopped because of "Axis pressure"?

Editor Answers

1—Our enterprises have not been sold. No such sale is contemplated and all talk of this sort appears to have been spread by a malicious party/or parties for reasons not clear. The Shanghai Evening Post & Mercury and allied enterprises are under the 100% American ownership of the Post-Mercury Co., Fed. Inc. U.S.A., of which Mr. C. V. Starr continues to be controlling owner and president and Mr. George C. Bruce is vice-president and general manager. The Editor of this paper is a member of the board of directors.

2—Our editorial policies are unchanged, as should be apparent to anyone reading the paper. There will be no change.

3—The Editor has not been discharged, he has not resigned, he is leaving not "as of" but *before* the first of the year for a trip south—from which he will return. Much of the gossip seems to have been started by distortion of the fact that he hopes to get home to America in the spring—without leaving this organization to which he feels the strongest attachment and in which he feels the most complete confidence.

4—The Wednesday and Saturday, 9.45, radio Commentary was not stopped because of "Axis pressure" or pressure from anybody else. It was stopped because the management decided on its own initiative that it wasn't a broadcast which the station should handle. Hiring and firing in this organization is done without "pressure" by the Axis or anyone else, and that situation will continue.

In the interest of completing the record, it should be stated that rumors have been in circulation for some time that Mr. Bruce is purchasing a controlling stock interest in the *Post-Mercury Company* from Mr. Starr and that an announcement to this effect will be published shortly. Mr. Bruce was a soldier in the U. S. Expeditionary forces which were sent to Siberia in the latter months of the World War. Following the withdrawal of the American forces, Mr. Bruce went to Tientsin where he resided until he joined Mr. Starr in the publication of the American paper here. He made a trip to the United States several months ago when he made an investigation of the publication of tabloids. As a result he started the *Sunday Mercury* in imitation of the *Daily Mirror*, and also "jazzed up" the *Shopping News*, a weekly in the tabloid manner, which is printed by the *Mercury Press*.

The editor of *Shopping News*, Don Chisolm, recently has been ridiculing Titlebaum's broadcast, to which Titlebaum also replied recently at the conclusion of one of his evening commentaries. The G. E. C. sponsored program is being continued with another announcer, whose name is not given. Last spring when the Japanese first attempted to blot-out the American stations, the *Evening Post* station, XMHC, was also attacked, but up to the time of writing these paragraphs the Japanese had not directed their "howler" toward XMHC, but were concentrating on XMHA, over which Alcott's news reports and commentaries are broadcast.

Roosevelt's Election Emphasized Increase in Population

Complete returns of the recent American presidential election show that 49,808,624 people voted compared to 45,226,455 who voted in the last national election in 1936. President Roosevelt received 27,241,939 votes, while Mr. Wendell Willkie, the Republican candidate received 22,327,226 votes. Although well below Mr. Roosevelt in the total vote, Mr. Willkie polled the largest vote ever received by a Republican candidate.

The vote, aside from its political significance, domestically and internationally, symbolized the great increase which has taken place in the American population, emphasizing the fact that the country has grown up. The White House recently made public the revised total population of the country, as of April 1. The figure was 131,669,275. The increase in population will necessitate a re-apportionment of members of the House of Representatives to which each state will be entitled, if the present total of 435 members is maintained. Under the tabulation California will gain three seats, making a total of 23. Other states gaining one new representative each will include Arizona, Florida, Michigan, New Mexico, North Carolina, Oregon and Tennesee. This means that a number of states will lose one representative, including Arkansas, Illinois, Indiana, Iowa, Kansas, Massachusetts,

Of interest in the Far East and significant from the standpoint of American interests, political and economic, in the Pacific, is the trend of population toward the Pacific Coast and the Mountain States. Another significant element is that the trend of population from the rural to the urban areas has been slackened. The net increase in the country's population was 7.2% as compared with the 1930 total of 122,775,046 people. The falling birth rate and virtual cessation of immigration indicate that the population of the United States—if the country manages to stay out of war—will become stationary or begin to decline in 30 to 40 years. Of surprising interest was the fact that in the 10-year intercensal period, more persons emigrated from the United States than entered the country as immigrants. The number of persons who departed from the country in this period of 10 years was 46,518 more than the number who entered. In the period between 1920 and 1930 a large part of the population increase of 17,064,426 was attributed to immigration.

Nanking Government's Main Source of Revenue Is Shanghai's Vice District

NO one, outside of the Japanese and their other stooge states, loves Mr. Wang Ching-wei and his Government at Nanking, it now appears. Italy and Germany continue to be inconsiderately ignorant of the Nanking régime's official existence, and outside of the Axis group, Mr. Wang is held in frank abhorrence. Nanking, therefore, finds itself in the unenviable position of an entity unto itself and none other, not only politically, but, more importantly at the moment, economically. In other words, the Nanking Government has to finance itself from a standing start handicapped by its isolation from the rest of the world and burdened, rather than assisted, by the presence of large numbers of Japanese for whose "advice" additional money must be found.

"Chained To Uncle Sam"

Chinese cartoon by Li Mou in Wang Ching-wei's personal organ, Central China Daily News. The cartoon is based on the recent American loan to the National Government at Chungking.

Axis Pals

Left to right—Lin Pai-sheng, Minister of Publicity at Nanking; Wang Ching-wei, head of the Nanking Government; Col. Omero Principini, Italian Military Attache; Tang Leang-li, Director-General of the Nanking International Publicity Board and Ambassador (without portfolio).

The normal source of a government's revenue is the national income of the country it governs. By direct and indirect taxation, a portion of the national income of countries under normal circumstances is diverted to the coffers of the state to finance state legislation whence it eventually returns to the people. This is known as good governmental financing, particularly when the cost of state legislation does not go beyond the state's revenue. Nanking, however, can not be financed by this system, because the area under Mr. Wang's domination has no "national" income; in fact, through the depredations of the Japanese military and puppet officials engaged in a mad scramble for loot while there is still loot to be had, occupied China has a "national" deficit—what revenue is being obtained from the people is going into the pockets of individuals and not into the coffers of the state. And in any case this "revenue," largely obtained through various forms of

Real Inspiration Behind

The Tokyo-Rome-Berlin Axis

Current History and Forum

squeeze and racketeering by petty officials who are compelled to engage in such practices in order to supplement their miserable wages, is pitifully small—totally inadequate for the needs of a good government over an area the size of that claimed by Wang as his territory.

Therefore, Mr. Wang has had to finance his regime in Nanking from sources other than national income, and as is well known, he has been able to discover precious few gold mines which the Japanese have not already thoroughly exploited. Opium, heroin and other dope monopolies are already in the hands of the Japanese, and all the Nanking government was able to obtain from this trade was a paltry figure collected from the licensing of dives. Revenue from the customs is being placed in the vaults of the Yokohama Specie Bank, where, so far as can be seen, it will remain until it is blasted out of them by main force. Income tax was out of the question. So Wang decided to muscle in on the Shanghai vice racket.

Mr. Wang found competition enough in Shanghai, but by virtue of necessity, and particularly since the appointment of Chen Kung-po, one of his henchmen, as Mayor of Shanghai, he has finally managed to cut in on what not so long ago was the sole prerogative of Japanese ruffians attached to the Special Service Section of the Japanese Army. It will be recalled that when Chen Kung-po arrived in Shanghai, he promised a cynically doubting group of pressmen and puppet officials that he would clean up Shanghai's badlands, close down the gambling joints, dope hells and brothels on which his late predecessor battened, and purge the puppet administration. That was about as far as Mr. Chen ever got towards improving on Fu Siao-en's performance, for the simple reason that whatever were his intentions, the Nanking Government was desperately short of money and to obtain funds was willing to go to any lengths — even to coverting itself into a Monte Carlo government.

Wang hopes to improve his position with the opening shortly of his "Central Bank of China," provided that the Japanese army will let him go into competition with them in the business of issuing phony currencies, but in the meantime he has had to meet his bills or, like any individual unbacked by a reputation worth credit, go under. In the vicious trade in the outside areas of Shanghai he found a way of staving off the evil hour, and from the brothels and gambling halls of the western area Badlands a stream of money is pouring towards Nanking. The Japanese, it is true, still get their cut, and so does the local puppet government, but it is on this source of revenue that Wang Ching-wei depends mainly for the subsistence of his government.

The fact that the Nanking Government has not been recognized by any Government outside the Yen Bloc countries ever since the signing of the Wang-Abe Pact on Nov. 30 is apparent to every corner of the world, and Nanking puppets and their Japanese lords, fully aware of the growing restlessness of the world audience toward their not-so-sensational marionettes presented one after another, are obliged to labor more desperately at another set of programs in order to introduce to a bored public a new tone of Nanking-Japanese co-operation. The appointment of Dr. Chu Min-yi by the Nanking as latter's first ambassador to Japan to correspond with Japan's appointment of Mr. Kamurato Honda as the Japanese ambassador to Nanking, and the return of warships and barracks allegedly once owned by the Chinese Government, were part and parcel of their latest efforts.

Dr. Chu's appointment to Tokyo on Dec. 12 was generally regarded as a matter of necessity following the Nanking Administration's recognition by Japan and the latter's appointment of pro-Axis Honda as ambassador to Nanking to succeed Gen. N. Abe. It was understood by *Domei* that Dr. Chu would leave for his new post as soon as his appointment was gazetted in order to present his credentials before the new year. Closed since Nov. 11, 1938, the Chinese Embassy at Tokyo was said once again "humming with activity" in preparation for the impending arrival of the Nanking ambassador.

Regarded by Nanking as in accordance with the so-called spirit of common defense provided in the Wang-Abe Pact, the Japanese Navy was said to have restored to the Nanking regime nine warships alleges to have been captured in the course of the Sino-Japanese conflict. Mr. Wang Ching-wei expressed his deep appreciation.

Gen. Nobuyuki Abe, former Japanese special envoy to Nanking, has returned to Japan, arriving in Tokyo on Dec. 16. During an interview in Kobe while en route to Tokyo, Gen. Abe was reported to have said that ".....though a new treaty has been signed between the two nations, a number of questions yet remain to be settled in the future by the young people." He revealed that no one, even the Japanese themselves, would be able to assure the termination of the "China Incident" by the signing of the Nanking agreement, or of the recognition of another pseudo government.

The Power Behind Wang Ching Wei

This interesting Japanese cartoon from the local army organ, Shanghai Mainichi, is significant from many points of view. The large figure in the center is Wang Ching-wei, head of the Nanking puppet government. Directly behind him, and shown in the act of supporting and pushing Wang forward is Gen. Abe, Japnese Army commander, who recently negotiated the Wang-Abe Pact. Back of Abe is the so-called East Asia League, including Japanese-controlled North China and Manchukuo. All are shown in the act of pushing Gen. Chiang Kai-shek, head of the legitimate Chinese Government, over a precipice.

Soviet Signs Contract to Buy $100,000,000 Worth of Chinese Tea

The Soviet authorities have signed a contract at Chungking for the purchase of China-grown tea to the extent of $100,000,000, according to a *Reuter* report from Chungking on Dec. 12. The contract was signed on China's behalf by the China National Tea Corporation, a government organ, which agrees to ship to the Soviet Union 6,000,000 cases of brick-tea and other brands. It was stated that about one-tenth of the consignment had already been delivered. The amount of tea shipped to the Soviet Union in 1939, mostly by way of Vladivostok, amounted to 31,000,000 pounds, valued at $14,000,000 Hongkong currency.

Self-Sufficiency Possible in East Asia only as Stopgap; Authors of Experiment Would Be First to Suffer

BY JULIUS R. KAIM

It has been claimed sometimes that in case of a conflict between Japan and America, the Japanese controlled parts of East Asia could continue their economic life almost undisturbed. The only raw materials, it has been pointed out, which must be expected as becoming scarce are oil and iron, and it is therefore that Japan is so eager to become the master of Indo-China and the Netherlands East Indies. For the duration of a conflict, however, it has been claimed, the Japanese-controlled areas of East Asia could even carry on without new territorial acquisition. This theory is, no doubt, wrong, and it remains wrong even in case of Indo-China and, up to a certain degree, the Netherlands Indies becoming Japanese influenced territories.

Diplomacy VS. Force

Colliers Weekly

Self-sufficiency or autarchy does not necessarily mean the abandonment of foreign trade. Nor does it need the complete cessation of imports. But it imposes the producing of all materials necessary for powerful and costly armaments and for the maintenance of a more or less normal private life. The main idea of modern politicians embarking their nations on a program of self-sufficiency has been the building of a strong army and navy *before the outbreak of wars;* knowing that their policy must sooner or later result in wars, they wished to be prepared. In the first place modern autarchy has never been developed for economic but for military reasons. "The dependence upon the goodwill of foreign Powers is," said Field Marshal Goering in 1937, "simply intolerable for a self-conscious people," and by declaring this, the Fuehrer of the German Four Year Plan admitted that autarchy has nothing to do with economic ideas and necessities.

It is the same with regard to East Asia. The wish to become "economically independent" means to become politically independent, or in other words, to obtain liberty to suit one's actions to one's interests alone. However, there are only two countries in the whole world which, from an economic standpoint, do not "depend upon the goodwill" of others, namely the United States and Russia. Even Britain depends on the good will of the Dominions and on her ability to ship overseas products to the United Kingdom. On this latter necessity Japan also would be dependent if she were in control of the Netherlands East Indies.

The first step towards autarchy, of course, is to make the country independent of all imported foodstuffs. This is much more a political and military problem than merely economical, but nonetheless such efforts are nowadays more or less universal. Besides the United States and Russia, and to a certain degree pre-war France, no country has ever reached this first goal. As regards China the value of foodstuffs imported during the first nine months of 1940 totalled more than Custom Gold Units 160,000,000 (one G.U.=67 Amer. cents). Approximately 20 per cent of such imports came from Japan, more than 22 per cent from Indo-China, and 12 per cent from Siam, but more than 40 per cent came from other parts of the world. It is true that among these imports were several luxury commodities, such as coffee, but it is often the luxury commodity which can be used as a graduator of the level of civilized life. Apart from such articles, and apart from the imports from Japan, the Kwantung Leased Territory, and Indo-China, this country depends on imports from Australia (wheat), America (flour), the Philippines (fish), Siam and Burma (rice) and several other countries.

Apart from the question of independence from food imports, an essential part of every autarchic program is the search for substitute raw materials. In this regard Japan has not yet found a way to produce large quantities of "artificial" materials; neither are the staple fibres which are supposed to substitute wool estimated as a real substitute, nor is artificial rubber such as the German *ersatz*, Buna, available in sufficient quantities. So far, on the other hand, as certain other substitutes are concerned, the substituting materials themselves are available while several chemicals necessary for the producing of the final product must be imported.

From a mere economic standpoint every policy of self-sufficiency in East Asia must be considered as a dangerous experiment. The vast industries existing in the Japanese controlled areas depend on exporting their products. With approximately 70 per cent of the present export being out of the picture of Japan's and China's foreign trade in case of a conflict in the Pacific, that industry soon would be lost. Logically this must result in hundreds of thousands of men and women becoming jobless, and people can, no doubt, not be considered as enthusiastic war workers. The consumption of goods produced by mills working only for domestic consumers also must decrease in ratio to the increase of unemployment.

A country and even a group of countries whose industries have been built up by export trade can never be really self-sufficient. This is no less the case as regards countries which can be considered as more or less self-sufficient, such as the United States. One country cannot sell goods to another without at the same time purchasing imports, and in this connection it must be remembered that the bulk of industries in Japan and Japanese controlled China are not producing for domestic consumption but for the export trade.

Every autarchic system, particularly if attempted by a State which must import raw materials, must fail, for self-sufficiency is not intended to diminish exports but only imports. Should exporting become impossible, the whole economic life of the country must die.

From the economic point of view Japan's "New Order" is nothing less than a hopeful plan for becoming self-sufficient, i.e. to buy abroad as little as possible. At the same time the 500,000,000 inhabitants of Japan's "New Order" will be expected to consume the industrial production of Japan and the areas depending on her. It is possible that this ideal might be attained but first the system and structure of Japanese industries would have to be changed. Those industries, or at least the majority of them, are now manufacturing products intended for countries of a high living standard, while the standard of life in East Asia must be expected to become lower than it is at present.

Self-sufficiency based on a vast and rich territory may for some time strengthen a country's military force, but finally it must result in economic disaster as purchasers disappear from the scene. It is true that a great army needs goods, to produce which many factories may be employed. This however, is not commerce. It is on the contrary the most negative side of autarchy, for economic life must be based on direct or indirect exchange of goods. Once Herr Hitler declared that "the German nation must export or die," and, no doubt, he was right. And his idea, which he seems to have forgotten in the meantime, was not only right for Germany but for all industrial countries.

Judged from this point of view a policy of self-sufficiency of East Asia must result in Japan being no less endangered than those countries under her leadership and with the help of which self-sufficiency would be sought.

Japanese Government and Military Uneasy as Tokyo Parliament Prepares to Debate Next Year's Budget

BY JOHN AHLERS

Although the Diet and House of Peers will not meet until the second week of January, the Tokyo Parliament will convene for the last session of its life during the Christmas season, and members will be offered the final opportunity for some pretence of criticism of the Government's budget for the forthcoming year. Parliamentary elections will be held in Japan next spring under a new electoral law inspired by totalitarian principles eliminating the last semblance of genuine democratic parliamentarism under the Rising Sun flag.

The Japanese Government and military seem rather uneasy about the coming convocation of Parliament. Both appear to anticipate another Saito Incident, or even a series of such incidents, with one or more of the doomed Representatives and Peers availing themselves of their last opportunity to speak out, openly, some of the truth. The Government on the very eve of the parliamentary session is endeavoring, as usual, to reorganize with a view to appeasing restless politicians, while behind the screen the military brings heavy pressure to bear upon every man suspected of inclination toward occasional independent thought. The military certainly would prefer to do without Parliament altogether, but the aristocratic Konoye-Kido-Arima triumvirate still insists on retaining Parliament which those three hope may provide them with some backing against the military.

The chief task before the coming session will be the discussion and passing of the budget for the 1941-42 fiscal year, which begins on April 1 next year. The past three wartime sessions of the Japanese Parliament were outstanding for complete absence of all fundamental budget criticism. The decisive items of the China war costs, as well as other Army and Navy expenditures, were not discussed at all but accepted *in toto* as requested by the country's fighting forces. Budgetary criticism was confined to minor budget items. But the fact that the coming session will be the last, at least for years to come, to be convened under the true Meiji Constitution; that unrest, impatience, and sufferings of a great many people in Japan clearly increase; that the country's economic and financial conditions continue to deteriorate at an ever more rapid pace; and that the Tokyo Government is about to present by far the biggest budget bill in all Japanese history, and this upon the background of already unprecedented state indebtedness and inflation—all this may combine to lead to some parliamentary disturbance this session.

Huge Budget Prepared

The Konoye Government plans to forward to the Diet a 1941-42 budget plan providing for ordinary and extraordinary expenditures aggregating some Yen 11,000,000,000. This sum shows an increase of Yen 1,500,000,000 over the current 1940-41 year, and is almost four times as high as the last Japanese budget passed before the outbreak of the China war. These Yen 11,000,000,000 do not include all financial exactions proposed by the Japanese state for 1941-42. Besides the state budget, there are prefectural and municipal as well as a long series of so-called special or autonomous budgets. If even these latter budgets do not increase, which is unlikely, the total sum the Japanese state is preparing to exact from its people will far surpass Yen 16,000,000,000, against a little less than Yen 15,000,000,000 this fiscal year. Yet the total national income of Japan for last year has been estimated by well-informed Japanese research institutes as between Yen 26,000,000,000 and Yen 29,000,000,000 only. This means that the state plans to lay hands upon from 57 to 63 percent of the whole national income of the Japanese people for the mere coverage of state and war expenditures.

Yet even these gigantic sums do not represent all the money the people of Japan will have to produce to satisfy their rulers. They are expected to raise, in addition, new large funds for purposes of industrial investment, chiefly in the munitions industries. For the current 1940-41 year, the goal of the savings and thrift campaign in Japan was officially set at Yen 12,000,000,000, whereof half was earmarked for the subscription of government war and deficit bonds, and the other half for investment in new share and bond issues of industries promoted by the Japanese military. At least the same amount will be required for 1941-42, so that the Japanese people will have to put up an additional Yen 6,000,000,000 to finance war industrial investment. Together with over Yen 16,000,000,000 state expenditures, the total of the funds wanted by the Government from the people will surpass Yen 22,000,000,000, or from 77 to 86 percent of Japan's national income. The average Japanese will be permitted to spend on his own between 14 and 23 sen out of every Yen he earns, while his rulers will appropriate an average 80 percent of his production.

Beyond Bearable Limits

These sums are so staggering that their very magnitude may arouse more than one of the representatives and peers of Japan's Parliament to embark, for the last time, upon real budgetary criticism. The people of Japan are to be taxed not only to an unprecedented extent, but obviously also beyond limits which even they are able to bear. These figures also indicate that Japanese war finance is reaching its peak and has no further reserves to mobilize; there obviously is no possibility of Japan financing successfully a general Pacific war for any considerable length of time should that war come.

The ravages which Japanese war finance already thus far has left in its wake are before the eyes of all. Japan's internal bonded indebtedness, about Yen 9,500,000,000 prior to the start of the Sino-Japanese war, by the end of this calendar year will surpass Yen 26,000,000,000, showing within three and a half years of war an increase of Yen 16,500,000,000. Only 15 percent of the bonds issued have been directly subscribed by the general public; 85 percent of the wartime bond issue had to be taken over by financial institutions which used the people's savings and bank deposits for bond subscription. More than Yen 9,000,000,000 bonds are being held by the state itself in the Deposit Bureau of the Ministry of Finance and of the Bank of Japan. Three-quarters of the notes circulated by the latter have been issued to finance undigested Government bonds, and the Japan Bank note issue is touching an all-time high of almost Yen 4,000,000,000 which figure at the coming year-end promises to be passed.

Inflation Rampant

Inflation in Japan has boosted the note circulation to two and a half times what it was before the beginning of the China war. At the same time the supply of goods in Japan has decreased. The increase in production for the fighting forces is smaller than the decrease in production for civilian consumption. Japanese propaganda pretends that industrial production continues to expand, basing this allegation upon higher production value figures, which merely result from higher prices which, in turn, are the consequence of commodity shortage and note inflation. The official Japanese industrial production volume index, whose publication recently was suppressed together with that of other vital figures, on the contrary shows an almost five percent decline for this year's first seven months as compared with last year's corresponding period.

The state and the military take out of an ever dwindling production of goods an ever increasing volume of supplies, while the ever decreasing quantity of goods released to civilians strangely contrasts with an ever greater amount of paper money in circulation. This state of affairs is typical economic disease in an advanced stage, and is bound to end in the final exhaustion and collapse of the patient.

Economy Beyond Cure

The numerous German efficiency experts now at work in many of the Tokyo Government's and the Japanese fighting forces' economic and financial departments cannot cure the economic war sickness of Japan. All they can do is help dispose of resources still left in the country in a more efficient way, from the fighting forces' point of view, than the Japanese managed to do themselves. A series of new wartime financial emergency measures designed after the contemporary German pattern recently were decreed in the form of Imperial Ordinances under

that same Art. XI of the ill-famed General Mobilization Law which Prince Konoye exactly two years ago solemnly promised would not be invoked during the present Sino-Japanese war. Such new Ordinances prescribe as from January 1, 1941, special permits for every individual case in which banks and other financial institutions propose to increase the amounts of business credits, overdrafts and bills discounted above the average and maximum levels reached during the current year. Another such Ordinance limits to five percent of capital plus reserves the dividends stock corporations may distribute without special permit, and prohibits all increase in payment of, and allowances, to the staffs of corporations whose business does not increase. Maximum salaries and wages have been newly fixed at an extremely low level; salaries of university graduates in the employ of corporations may not be over Yen 75 a month, and may be increased only at a maximum rate of seven per cent annually of the basic salary.

Measures such as these are calculated to retain at the disposal of Japan's rulers as much as possible of any new funds accumulating, and to prevent the spending of such funds for purposes which do not suit the Japanese military. Yet such measures will not increase the total of the economic product in Japan, but on the contrary will only enhance the absorption for fundamentally unproductive investments and enterprises of an ever increasing percentage of the country's economic and financial resources, and thus ultimately further weaken Japan's economy. With some 80 per cent of Japan's national income already earmarked for spending on account of the military's foreign and domestic enterprises, the limits of what can be done, in that direction, clearly have been reached.

Dangerous Precedent Set by S.M.P. Strike Begins to Bear Bad Fruit

BY its own admission, the Shanghai Municipal Council is bound to stand responsible for whatever may develop from the Settlement police strike early this month. There were certain cogent facts about that strike which clearly placed the blame for it at the door of the Council's air conditioned chambers —facts which should have been taken into consideration weeks before the Chinese constables of the Shanghai Municipal Police were compelled to set an explosive precedent in the city by striking for a living wage which the Council later had to admit had been denied them.

By a process of reasoning best known to those in the Council responsible for the adjustment of staff wages, it was decided after, but not before, the Chinese constables had gone out on strike on December 3, that the dissatisfaction among the policemen was not peculiar to them alone, but was "symptomatic of a reasonable disquietude" throughout the Municipal services over the rates of pay then existing.

This communique was a downright understatement. The police strike was symptomatic of the gravest dissatisfaction arising out of a vast gulf separating the treatment of Chinese and foreign members of the S.M.P., and particularly in the lower grades of the service. It was symptomatic, since the council likes that word, of a general condition in Shanghai arising out of the Shanghai Municipal Council's failure to impose the several anti-profiteering measures under powers bestowed on it by the Emergency Decree, which is still in force. It was symptomatic of a general condition resulting from a high cost of living index gone rabid, but against which only the high salaried members of the Shanghai Municipal Council and a handful of local trading executives, paid in foreign currency, were inoculated. These symptoms were totally ignored by the Shanghai Municipal Council until they were brought forcibly to the Council's attention by a police strike.

As a direct outcome of the Council's bungling of a simple administrative matter—perhaps the worst piece of civic bungling in a record not particularly brilliant for its prescience—there has been during the last month an outbreak of labor troubles affecting many of Shanghai's important industries, not the least among which were its newspapers. The *North China Daily News* and *Journal de Shanghai* staffs walked out on their jobs while negotiations with their employers were still in progress, and the fact that each of these staffs went back to work after accepting the original terms made by their employers in settlement of salary disputes shows clearly that the strike weapon was not being used as a mean of bargaining so much as a means of industrial blackmail, along the lines laid down in the precedent set by the city's leading authorities, the Shanghai Municipal Council.

There can be no argument about this. The Shanghai Municipal Council authorities must have known at the beginning of this month that a salary revision was due to the various departmental staffs. So much is admitted by the fact that the salary increases "granted" following the police strike this month were made retroactive from November 1, this decision embracing all classes of municipal employees affected by the salary increase.

The members of the Shanghai Municipal are not blind—nor are they griffins in Shanghai. They themselves are in one way or another, directly or indirectly, large-scale employees in their own rights, and as such, by their uncommon refusal to acknowledge ungrudgingly the justice of the Chinese constables requests (not demands) they have left themselves open to the charge that they were openly doing their best to maintain for their own benefit an impossibly low standard of living among Chinese workers.

If that was their aim, it was doomed to failure from the start, for the outcry set up by the Shanghai press after an investigation into the conditions of employment of Chinese constables was as unanimous as it was fearless. Public opinion was rallied and after three days of deep thought the Council produced its face-saving brain-child—an all-round salary increase, "due to the increased high cost of living," and embracing all employees. This despite that fact that the Chinese constables had put their case in vain before the Council but a few days previously. The brain-child was an abortion, as every workman in Shanghai saw through the subterfuge and the Industrial Section of the Shanghai Municipal Council today can, or should be able to, supply interesting statistics regarding the influence of the police strike on Shanghai's industrial life.

In their way, the Chinese constables of the Shanghai Municipal police did Shanghai a service, for they brought before public attention local conditions of employment which would not be tolerated for a minute in any other country, or city in the world. Whole families were, and still are, living on less than $40 a month, although God alone in His Mercy knows how they do it. Not only Chinese employers, but foreigners also have blandly ignored the soaring cost of living compiled, and likewise ignored, by the Shanghai Municipal Council.

Contrary to public opinion, and perhaps particularly contrary to the ideas of those Municipal employees who come within the higher wage bracket, the method used by the Shanghai Municipal Council in adjusting salaries following the police strike is not to be admired—nor, for the benefit of local industrialists and manufacturers, should it be emulated. Employees are recommended to study the few sane documents issued periodically by the Shanghai Municipal Council, the cost of living index and the workers' earnings index, and to act accordingly, and to the best of their ability. It is recognized that it is impossible to boost wages to keep pace with the rising cost of living, but that is the goal which should be sought, if the precedent set by the Shanghai Municipal Council in forcing its employees to become sympathetic towards strikers is to be offset.

Three tables issue by the Shanghai Municipal Council for last month are given herewith. These figures should be studied, because they are of the gravest importance to the welfare not only of a taipan, or of a handful of workers, but also of Shanghai in general. Employers should make sure that they are in possession of next month's figures as soon as they are obtainable, as although they are usually printed in the daily newspapers, in the rush of foreign news they are apt to be overlooked. The tables are as follow:

China Maintains Cautious Attitude on Thailand, but Moral Support Movement Grows Despite Arrests

By The Review's Correspondent

Chungking (By Mail).—China's present policy towards Thailand, as with her policy towards various other countries, can best be described as sentimental, based on historic relations, but tempered by the still smarting recollection of recent unfriendly gestures—in the case of Thailand, the anti-Chinese movement which resulted in the spring of 1940 in the arrest of approximately 2,000 Chinese residents in Thailand, the closure of several banks, the suppression of 15 Chinese newspapers and 250 Chinese schools, and a ban against the remittance of millions of dollars back to China.

Had it not been for this movement, and a certain justifiable suspicion of Thailand's relations with Japan, there is little doubt but that Chungking's attitude, and indeed the attitude of the majority of Chinese people, would have been more than the indifference, amounting to "It's none of my damned business," with which the hostilities between Thailand and Indo-China are being viewed in the nation's wartime capital. China has suffered from the acts of both Thailand and Indo-China, and if anything, finds some measure of poetic justice in the border conflict.

So far as historic associations are concerned, however, a small but growing group of pro-Thailand Chinese in Chungking can call on a record of hundreds of years of close friendship in support of their cause, and even up to the spring of 1940, Thailand unofficially had shown distinctly favorable understanding of China's war of resistance. The 2,500,000 Chinese nationals in Thailand, most of them merchants of substance, also play even today an important role in the moulding of Thailand's foreign policy. By virtue of their numbers and the position they occupy in the economic life of Thailand, they cannot do otherwise.

The view of the pro-Thailand Chinese group is fairly well represented by that of Mr. Lan Tung-hai, who was born and bred in Thailand. "I believe that we should sympathize with Thailand's struggle for her lost territory," he declared recently, "because Japan is our only real enemy. I propose we should revive the Sino-Thailand Cultural Relations Association (which was organized in 1937 and disbanded two years later), continue our broadcasts in Thai language (at present Italy, Germany and Japan broadcast frequent and regular propaganda programs), and request General Wu Teh-chen to visit Thailand on his return from the South Seas tour. By this, we may give Thailand and her people a better understanding of, and greater sympathy with China."

It is pointed out here that Thailand's territorial claims represent her desire to remain independent, and when the European war broke out, apprehensive for her own safety, she signed a non-aggression pact with Britain and France on June 12, 1940, as insurance against expansionist ambitions by the Allies at the conclusion of the war. To be on the safe side, in case the Allies lost, Thailand also signed a treaty of friendship with Japan, hoping thereby to maintain a balance of third power influence. When France collapsed, foreseeing the possibility of Vichy losing control of Indo-China, the Thai government demanded the return of Laos and Cambodia.

It is also held in some quarters that Thailand's demands were not the result of Japanese agitation—but it is admitted at the same time that Thailand is in a most unpleasant predicament. She does not want to become a state vassal to Japan, and British and American interests would prevent her from doing so. Thailand is regarded as desiring to remain neutral and free, but her planes are few, her army amounts to about 30,000 men, her navy 5,000 regulars and 20,000 reserves. Late in 1939 Thailand became aware of Japan's southward expansion movement drawing uncomfortably close, and if there is anything Thailand would like to do today it is to dismount from the Japanese tiger.

Circumstances being what they were, it is observed here, Thailand was compelled to adopt a foreign policy known as "pro-Japan, anti-China and frigid towards the United States and Britain." There has been, however, a marked subsidence of anti-Chinese activities of recent months in Thailand, and the lives and property of 2,500,000 Chinese in Thailand are still a stake considered worth the attention of the Government, although Chungking remains extremely cautious and totally reticent.

The *Ta Kung Pao*, most influencial vernacular in Chungking, recently voiced the opinion that "we Chinese have never objected to Thailand's claims (for her former possessions), and are only afraid that she might become Asia's Poland. There are not many free nations left in Asia, wherefore we Chinese respect Thailand, 'the Land of the Free.' It is deplorable that there exist no diplomatic relations between China and Thailand. It is more deplorable that Chinese residents were persecuted and discriminated against."

While it is admitted that other than lending Thailand moral support, and that there is little more China could do for her at present, it is urged that a future and lasting friendship between the two countries should be founded now on the basis of mutual respect and sympathy in a time of common misfortune.

The following table indicates workers' earnings during the last five years:

Period	*Index of Actual Earnings*	*Index of Cost of Living*	*Index of Real Wages*
1936	100.00	100.00	100.00
1937	84.83	118.15	71.80
1938	92.38	152.90	60.42
1939	119.09	203.25	58.59
1940 — November	242.47	540.62	44.85

The cost of living index for the whole year 1940 will not be as high as 540.62, therefore the real average wage index will not be as low as 44.85 for 1940.

The following figures show what family should receive from the earnings of the principal wage earner, from those of other members of the family and from other sources. By earnings is meant wages, together with allowances of all kinds. The figures are based on what study shows to be the composition of family income, and on the cost of living ruling in November. Figures for two assumed standards of living are given. The first shows what earnings should be on a standard lower than that in 1936 (Standard A) and the second, (Standard B) shows what earnings should be on a minimum subsistence standard.

	Earnings of Principal wage earner 53.3%	*Earnings of other family members* 43.0%	*Other family income* 12.7%	*Total family income* 100.0%
Standard A:	$55.69	$35.52	$13.27	$104.478
Standard B:	50.69	32.33	12.08	95.097

INDEX OF COST OF LIVING OF SHANGHAI WORKERS

New Base: Average 1936 = 100

Indices	*1939 Nov.*	*1940 Nov.*
Group Indices:		
Food	249.63	604.97
Rent	282.41	348.19
Clothing	215.26	377.69
Fuel & Light	305.61	540.74
Miscellaneous	209.35	458.00
General Index	254.54	540.62
Purchasing Power of the Dollar	39.29	18.50
Percentage Inc. or Dec. as Compared with 1936	60.71	81.50

The above tables reveal the lack of wisdom in the Shanghai Municipal Council's penny-wise, pound-foolish system of salary increases, which ranks equally at 18 cents to the dollar the $30 a month worker with the $1,000 a month "pivot boy."

French Peacefully Penetrated Indo-China Until War Peril Compelled Establishment of Defenses in 1938

(SPECIAL CORRESPONDENCE)

Thailand's territorial demands on Indo-China are historical rather than economical; neither of the countries has been fully developed either by their native Governments or by foreign peoples. Both, were it not for the evil influence of Japan, would be happy as they are. Yet they are at war, and to find the roots of their original hostility, it is necessary to delve back into a past which is more or less guesswork and hearsay, occasionally reinforced by documentary evidence.

In 1864, colony-conscious France followed the earlier trail of her missionaries into the strangely mixed races of Tonkin and Annam from the trade port of Haiphong and established a Protectorate over the former trading and hunting grounds of the age-old Siamese kingdom. Religious and economic interests thrived among the quiet, simplicity-loving natives, and soon afterward, in 1861, 1866 and 1893, the French established colonial control over Cochin-China, Cambodia, and Laos.

Not until 1938, however, did a defense-conscious Minister of Colonies, Georges Mandel, awaken the Daladier government to the need of more armaments to protect what he saw would become the strategic spillway for the gun-mouthed voices speaking of re-arranging the East into very different spheres of influence. Even he did not foresee the extent to which those mixed races and mixed interests would go toward becoming the basin for the spilling forces of aggression.

Geographically, Indo-China has all of the strategic and racial consequences of a link between two races and two civilizations. As analyzed by W. H. Hudspeth in the **Chinese Recorder** for November of this year, Indo-China is composed of four main racial units, the Annamese, the Cambodians, The Laotians, and the Chinese. For centuries they have all remained fairly distinct races within their respective territories, providing an abundance of surplus agricultural products for trading, with the peaceful penetration of the Chinese aiding in the spread of manufacturing.

Annamese Predominate

The Annamese, according to Mr. Hudspeth, predominate in number and distribution, and seem to be a result of the mingling of many tribes. In manners and customs they are similar to the Chinese of South China. They live on fish and rice and tend to accept the influx of traders and missionaries without changing from their simple life or from their inherent Buddhism.

The Cambodians or Khmers show racial heritage from Malay and India. Though now considered the least prosperous and the least ambitious, they live among ruins of cities, palaces, and royal ruins such as near Lake Tonle-Sap and Angkor Vat which point to a pronounced prosperity during the Middle Ages.

The Laotians are an intermediary branch of the Siamese. As with the Cambodians, life for them is guided by a local proverb, "Do not try to go against the current." The Chinese are found throughout all the colonies, and have displayed considerable industry. Nearly all of the factories and the rice commerce of Cochin-China are in their hands, from whence comes a large supply of Saigon rice to Shanghai.

Siamese Press Claim

Across the border, the Siamese since 1939 have pressed their claim under the new name Thai-land to a rightful combination of all tribes once influenced by the White Elephant. More ambitious not through racial superiority but through able leadership, the Thailanders have transformed their feudal kingdom from vassalage to a modern and nationalistic state. Diplomatic bufferism for the major powers, a cause against Indo-China, and a malice toward the Chinese within their borders has placed Thailand in an exaggerated position of importance.

Religious penetration of the peninsula has proved more difficult than financial penetration. Again referring to Mr. Hudspeth, the first missionaries were Roman Catholics from France and Spain as early as 1583. Protestant influence began in 1891, when Monsieur Hocquard landed in Saigon with an Annamese translation of the Scriptures. French protection aided the cause until now there are 67 independent National Churches, 260 foreign Protestant missionaries, an equal number of native workers, and a total National Church membership of 12,129 as of 1939.

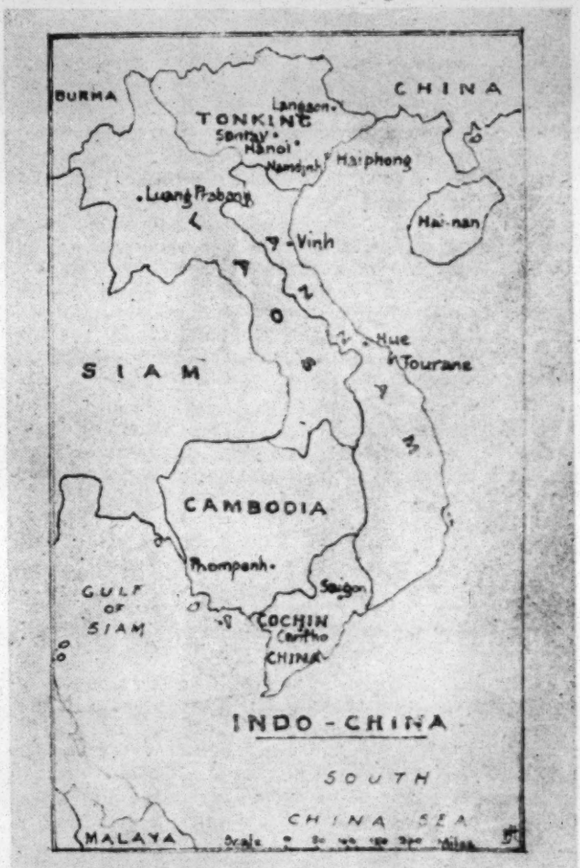
Politically, Indo-China has become a weakened and ill-fashioned dam against New Order aggression. In 1938, when Minister of Colonies Georges Mandel demanded protection, the hurriedly provided 440,000,000 francs worth of guns, coastal batteries, harbors, and expanded industrial interests proved to be precisely what Japan was to need when war-weary of China.

France had but just begun capitulation to Germany when in June the Japanese Foreign Office handed the French Ambassador in Tokyo, M. Arsene-Henry, a demand for inventory, customs examination, and transportation facilities in Indo-China, ostensibly to check supplies pouring into beleaguered Chungking. At the time, Japan hoped Nazi successes would force the transfer of the main Asiatic obstacle, the United States fleet, to the Atlantic. In one stroke Japan could win all by not only throttling China but by grabbing French spoils before Germany could manage it.

"Not Yet Realized

The extent of such a success is still not fully realized.

As analyzed by Alexander Kiralfy in the **Asia** magazine for November, Japan had planned a creeping process similar to the manner in which Germany circumvented British sea power by reaching air bases along the North Sea, and the manner in which Italy attempted the same thing by creeping along the Mediterranean and the shores of Egypt toward the Suez. By filling in the "air gaps" to the tip of French Indo-China, from whence Indonesia and Malaya could be bombed, and hence Australia, Japan could come in behind Singapore, force British withdrawal, and control the restricted land and sea south and east of the base and along the endless chain of islands to a point in the same longitude with San Fransisco, within a shorter air distance than the present span between Hawaii and Midway Island.



Some idea of the varied influences at work in Indo-China's domestic politics is revealed by the above racial map. Japanese agitators bent on inciting natives to revolt against the French Government and to stage Thailand border incidents found Indo-China a simple victim after their much more difficult task in China.

But the world waited for a Nazi invasion, and so did Hitler. Since that time, Japan has had to be content with unspectacular diplomatic gestures and un-propagandized advances into the territory, with the threat of losing all instead of winning all, were the affair to cause a break with the United States.

The "seeping process", however, has all but accomplished a virtual occupation of Indo-China. According to the terms of a follow-up to the original demand, Japan secured a pact signed on September 22 sanctioning three air bases, garrisoning of 6 000 troops, landing of a "limited number" of regulars, and further regulation of supply routes to Chungking. As a result, Britain took no stand, China threatened to carry the war into Indo-China, and United States Secretary Cordell Hull noted that "the status quo is being upset and this thing is being achieved under duress".

Yunnan, Szechwan and Hupeh Bombed as Japanese Take to Air While Ground Forces Remain almost Inactive

Yunnan and a number of other strategic towns in Szechwan and Hupeh were again the objects of intensive Japanese areial attention last week, Yunnan in particular being subjected to the most severe raids on several successive days.

Domei reports indirectly testified to the speed and effectiveness of repair work rendered by Chinese engineers on bomb damage along the Burma Highway, when it was claimed the "new" Kungkuo Bridge spanning the upper part of Mekong River had been demolished after three successive days of "large scale air raids." The "old" Kungkuo Bridge, alleged the same report, was destroyed only recently, but after hurried construction by Chinese repair gangs, a new bridge bearing the same name was immediately brought into use about one kilometer above the "old" bridge.

Japanese warplanes, after having located its position, were reported to have made immediate heavy attacks against the new bridge on December 12, 14 and 15, and it was only in the last raid that the whole bridge was claimed to have been entirely destroyed. Chinese reports failed to confirm the Japanese claims.

Two other major raids carried out by Japanese warplanes over Yunnan Province were against the Chinese airdrome and military aviation school near Kunming and against a Chinese power plant at Ami, in southern Yunnan. **Domei** reports claimed that a squadron of Japanese aircraft staged a sudden attack on the Siangyang airdrome and succeeded in the destruction of a number of grounded Chinese airplanes. The Aviation School was also subjected to severe bombing it was declared. The Chinese report admitted only slight damage was caused by the Japanese and stated that the Japanese aircraft were repulsed by a squadron of Chinese pursuit 'planes. One of the Japanese planes was said to have been damaged by machine-gun fire from a Chinese pursuit 'plane in aerial combat. The Japanese attack on the eletric power station located in Ami was said to be unsucessful. Town and cities such as Hsiyang, in southern Yunnan, Kaiyuan and Kuchiu, in western Yunnan, were also damaged by indiscriminate bombing.

Hengyang Attacked

A total of 27 Japanese airplanes carried out four raids in rapid succession on Hengyang, east Hunan, on December 14. While admiting the ferocity of Chinese anti-aircraft gun fires, the Japanese claimed to have damaged warehouses and transportation facilities around the Hengyang station. Chinese reports, on the other hand, said that the raiders were forced by intensive Chinese anti-aircraft fire to fly at an extremely high altitude with the result that most of the bombs fell on open fields. Changyang, on the south bank of the Yangtze River in southwest Hupeh, alleged to have been saving as a rear base position for Chinese troops, was also claimed by the Japanese to have been bombed, but with important damage reported.

In the face of increasingly intensive Japanese air activities, Chungking has redoubled effort to strengthen its air force. According to press reports from Chungking, the Aviation Commission of the Chungking Government has opened a training class for the purpose of giving courses in "gliding" to future Chinese instructors. Preparation are being made for the construction of 500 gliders. The first batch will consist of 100 and work on these has already been started. It was further learned that in spring next year a nation-wide campaign will be carried out in Chungking, Chengtu and Kunming to encourage "gliding" in China.

Ground Forces in Action

Adding further impetus to the Chinese air force revival was a Chinese report stating that great success had attended the recent aviaion fund campaign among overseas Chinese in America, the total sum of money subscribed to date being US$6,000,000. China's recently issued Aviation Bonds amounting to a face value of US$5,000,000, also were learned to have been now fully subscribed.

A lull prevailed on all fronts throughout China last week following the conclusion of the Japanese winter campaign in Central China, although minor skirmishes were reported. Significances, however, was attached to a Chinese report last week which claimed that the Chinese forces operating in Central China had reached the outskirits of Hankow, while another column of Chinese troops were said to have arrived at a railway station near Wuchang. The Japanese troops stationed in the Wuhan area (Wuchang and Hankow) are reported to have exercised unusual vigilance in anticipation of sudden Chinese assault. Yachaling, strategic point east of Ichang, in western Hupeh, was also reported to have been reoccupied by Chinese guerillas.

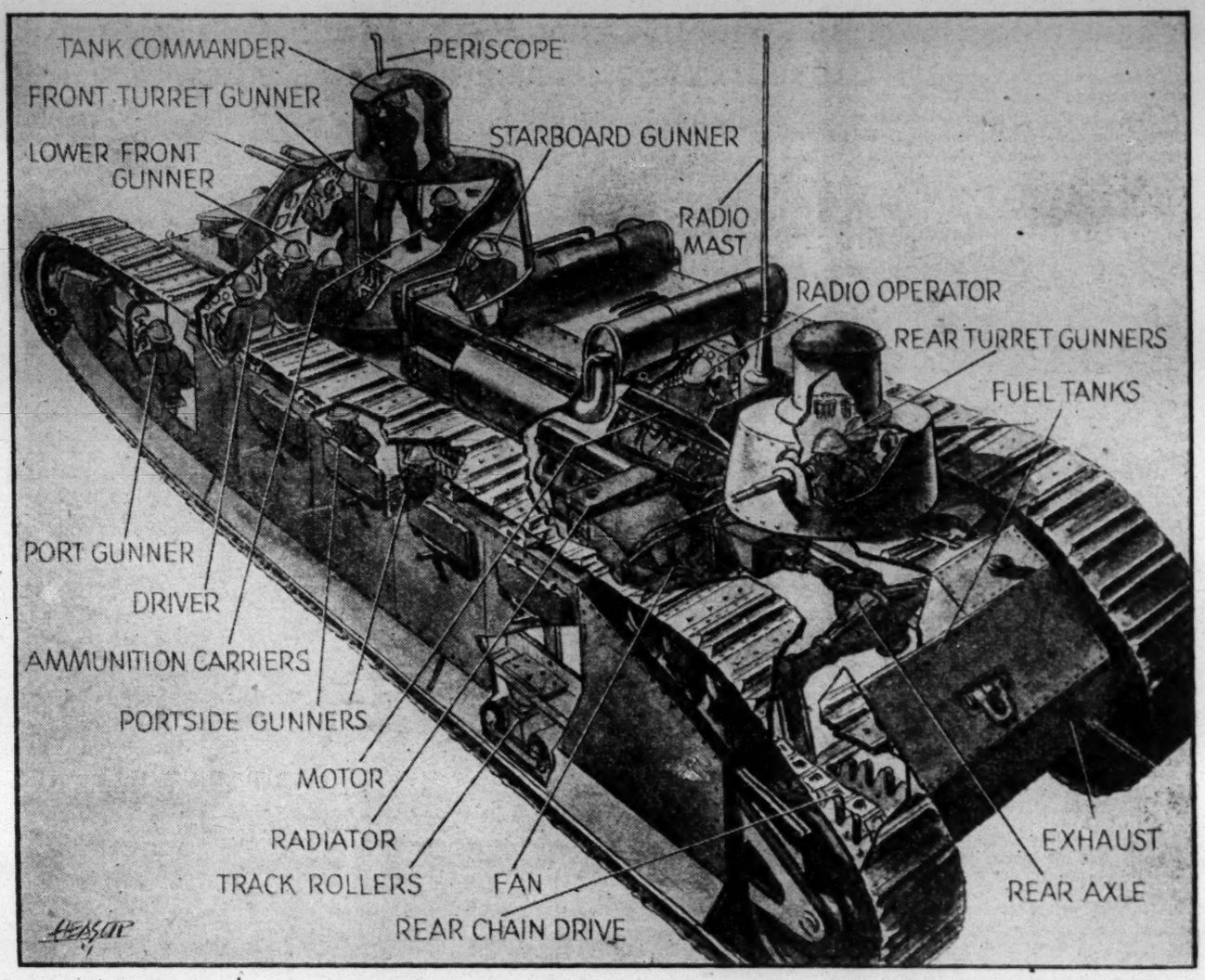
In spite of recent Japanese claims of sucesses in the North China Campaign, a meager Chinese report from Loyang said that Chinese guerilla raids on Japanese positions northwest of **Wenhsien**, in north Honan, during the past week have been increasingly aggressive and were said to have inflicted casualties on the Japanese, also resulting in the capture of a number of Japanese prisoners. Guerillas also raided Japanese garrison posts at Pikiachen, in the Kaifeng sector.

Tough Chinese

Chinese soldiers may shortly repeat on this front what the Greek armies have accomplished on the Mediterranean front. This picture of a typical Chinese soldier was reproduced from Newsweek's front cover for Oct. 28. The Shun Pao pointed out this week that the so-called ancient countries, China and Greece, have aroused the world by their successful resistance against aggression on the part of Italy in the Mediterranean sphere and Japan in the Far East.

U. S. Woman Released

Miss Edna Lawrence, American nurse, connected with a mission hospital at Seoul, Korea, who was arrested and removed from the ship upon which she was sailing for America, while the ship was still in Yokohoma harbor on Nov. 13, was the victim of a spiteful action on the part of a high Japanese official in Korea, whose name was not given in the report. Miss Lawrence, a native of Ontario, California, was enroute home after serving 20 years in the Severance Hospital in Seoul. In some manner she had offended the Japanese official, who sent secret instructions to the Japanese police to arrest her on a "communist" charge. Her arrest and the removal of her baggage caused a serious commotion aboard the ship, the Yuwata Maru, but since the ship was Japanese there was no way whereby her friends could notify the American authorities, until the boat reached Honolulu. There were 160 American missionaries aboard the ship. The Japanese police made no statement about the case and spirited Miss Lawrence back to Seoul, Korea, where she was being detained when the American Ambassador, Joseph G. Grew, learned of the outrage. He immediately investigated the case and when it was found her arrest was due to a grudge on the part of the Japanese official, she was released and the charge withdrawn.



New York Times Photo

Giant tanks, or "land-battleships," have become standard equipment in most armies. The above illustration shows how they are made and operated. This particular tank weighs 70 tons and carries a crew of 15 men. The first tanks of this character were said to have been built in Russia. Later they were built in Germany and Britain and now in Canada and the United States. The Soviet military authorities exhibited several tanks of this character, said to be 100 tons in weight, at the recent annual celebration of the October revolution in Red Square, Moscow. The Russians used several of these "land battleships," in the fighting at Nomonhan on the Manchurian-Mongolian border and drove a wedge into the Japanese lines 30-miles deep—and quickly ended the "war." It was reported that the Japanese general staff immediately decided to completely reorganize the Japanese Army's mechanical equipment as a result of the Soviet action. Mongolian and North Manchurian territory, being flat or rolling prairie land, is well adapted for the use of this type of equipment.

AGAIN, THE PROMOTER

—John Chase in *New Orleans Item*, Oct. 1

LOOK WHO'S TELLING US OFF!

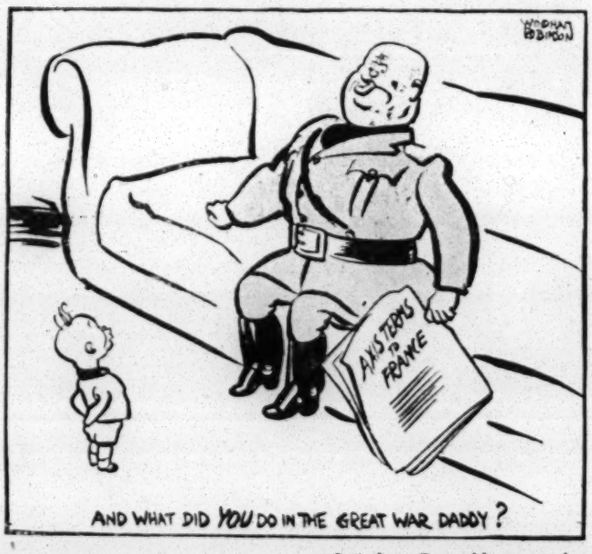
—Paule Loring in *Providence* (R. I.) *Evening Bulletin*, Oct. 11

A SWELL NIGHT FOR A MURDER

—Ann Mergen in *Miami Daily News*, Oct. 13.

Backing It Up

Costello in Knickerbocker News, Albany



London Star-Newsweek

Channel Swimming Difficult This Year

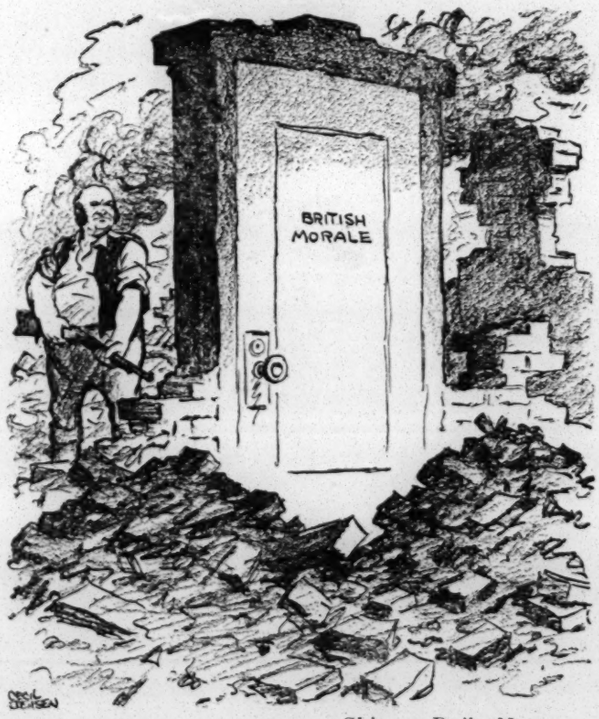
Walker in South Wales Echo

Hamm—And Eggs

Daily Herald, London

The reference in this cartoon is to the repeated bombing of the German railway and industrial city of Hamm.

Still No Admittance!



Chicago Daily News

Eire's "Complete" Neutrality

Middleton in Birmingham Gazette

Japanese Pile Restriction Upon Restriction in Effort to Reduce Wartime Expenditure Among Public

With gathering weight the grip of Japan's economic poverty is grinding down the Japanese people as the nation's leaders leap from extravagance to extravagance in pursuance of a mirage in China. None is escaping the gigantic maw of the military.

Neon lights along the Ginza and other erstwhile gay quarters in Tokyo tonight are extinguished. Tokyo's oldest profession is contributing wholeheartedly to the call for economic use of electric power—ironically enough, to its own profit, but nevertheless adding primarily to the gloom that pervades the Japanese capital after sunset. And housewives under compulsion have stored away their electric irons "for the duration."

Permanent waves, a well-known foreign resident of Tokyo told the **Review** recently, are frowned upon as immoral (and costly) and "not in keeping with the wartime spirit." So are cosmetics and bright clothing of individual design. High-spirited girls who violate this moral injunction frequently get their faces slapped and their hair pulled by fanatics, who are not only tolerated but actually encouraged by the police.

Drinking has become a costly, difficult and dangerous pastime in Tokyo. Owing to the rice shortage, much of the sake is adulterated heavily and then given back its potency through the introduction of such agents as methyl alcohol and formadehyde. Because of the beer shortage, most bars ration it at the rate of a single bottle to a customer.

Faced as it is with oppression, misery and despair, Japan today would be regarded as ripe for a counter-revolution —if it were another country, the former Tokyo resident continued. Most wishful thinkers who predicted an internal explosion a year or more ago have reluctantly ruled out this possibility, and he, too, was convinced that there never would be a violent uprising such as experienced by France, Russia and Spain. A passive revolution, or a national sit-down strike, was quite conceivable, however, the ex-Tokyoite said. There was considerable audible muttering and widespread discontent among the impoverished laborers and farmers, who did not attempt to conceal their hatred for the privileged industrialists and bureaucrats.

Miracles Needed

Unless the sullen, frustrated army and the sorely beset civil authorities start performing tangible miracles, and quickly, there is a strong likelihood that the overworked, underfed and poorly clothed and sheltered hod-carriers for the New Structure simply will throw up their hands and say "what's the use?"

Whatever may be the use, the Japanese people were assured by Tokyo's Price Control Commission last week, according to **Transocean**, the German news agency, that if ration regulations were strictly enforced, the country's food supply would "be secure." Consumption throughout the nation, however, would have to be kept at a certain level average so that all would have sufficient food, the Commission declared—without giving precise details as to what the average should be.

A summary of recent messages from Japan, however, gives a very good indication of what the Price Control Commission might consider to be outside of that average consumption, and the range of the restrictions embodied in "outlawed" luxury, if it may be called luxury, is high, wide and not so handsome.

Paving the way for enforcement of a daily rationing system of commodities, the Council on National Mobilization last Saturday approved the draft of Imperial ordinance empowering the Government to control production, possession and distribution as well as consumption, transportation and sale of commodities necessary in the nation's daily life, according to a **Domei** message from Tokyo.

Nationwide rationing hitherto has been limited to gasoline, sugar, matches although regional authorities have been enforcing a card system for charcoal, rice, rice-cakes and other commodities.

The Council session, which lasted eight hours, also approved of other draft ordinances which raise to fifty the measures of enforcing the National Mobilization Act provisions.

Besides the two draft ordinances approved on Saturday, the Council also gave assent to three draft ordinances designed to conserve farming and forest land by restraining the use of farm land for other purposes, such as restricting prices of farm land and restricting processes on farm land, forests and undeveloped land.

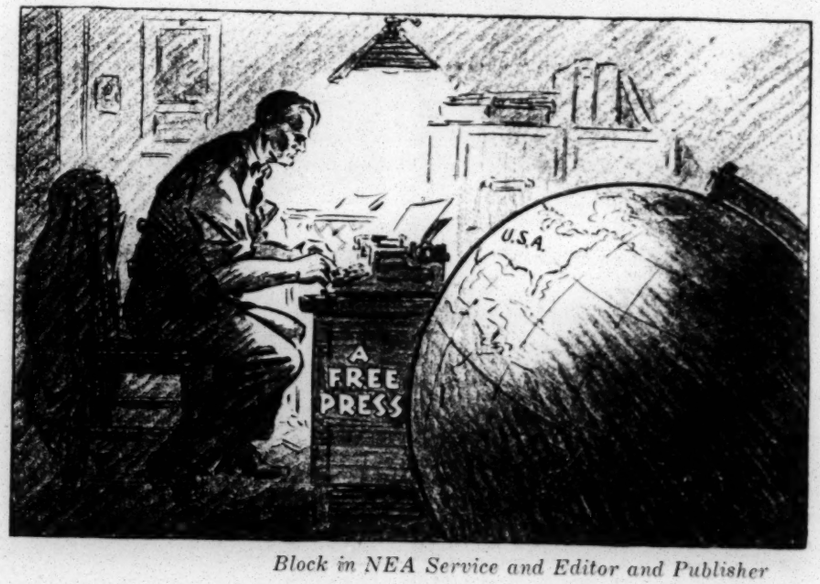
Towels Rationed

Most recently rationed item in the Japanese list of necessities (and those who know the Japanese will agree that it is a necessity), is the common household towel. As from the beginning of January, according to the Asahi early this week, towels will be available only on the presentation of cards issued by the authorities. It will be recalled that owing to a general shortage of cotton in Japan, bleached cotton and even babies' underwear were put on a ration system last August. From the beginning of the new year, it has been learned by the **Asahi**, not only will towels be rationed, but they will be 30 per cent **ersatz**. Cards will be drawn by families under a lottery system, it was stated.

The same widely read and authoritative Japanese newspaper announced also this week that efforts were about to be made to induce the Japanese people to accept rabbit meat as a substitute for pork — a substitution, according to recent arrivals from Tokyo, which the Japanese would be happy to accept in place of a practically non-existent commodity were rabbits available in Japan in sufficient quantities to feed a large city for more than a single meal. Ministry officials, the **Asahi** declared, hoped to boost Japan's rabbit population to "some eight million animals," but even in prolific Japan, it was strongly doubted whether the swiftest breeding edible animal known would be able to keep up with the voracity of Japan's underfed people.

Indicative of the food shortage which does exist in Japan despite all of Tokyo's denials, figures released recently by the Japanese Ministry of Agriculture and Forestry, showed that slightly over a year ago, between 18,000 and 20,000 hogs were being slaughtered each month in Tokyo. At present the figure stands at 3,000 a month, according to the same source.

As His Conscience Dictates



Block in NEA Service and Editor and Publisher

Transport Dilemma

Some indication of the confusion which exists in Japan as the result of a shortage of numerous materials was the dilemma in which transport companies found themselves recently. Hoping to overcome the problems raised by lack of sufficient gasoline supplies, most of these companies converted a large number of their vehicles to operate on charcoal, only to disicover recently that there was a shortage of that fuel also. It is illustrative of the hand-to-mouth productive methods of the Japanese today that the sudden shortage of charcoal was declared due to the increase in consumption of the fuel during the recent national five days celebrations to mark the 2,600th anniversary of the Japanese Empire. It was also admitted by the authorities that household demands left little charcoal for use in public conveyances.

It was learned from Tokyo early this month that the Japanese capital once again is facing its annual water famine, and has been compelled to appeal to

neighboring prefectures for assistance in maintaing sufficient supplies to meet the lowest possible demands of the people. The Tokyo Municipality closed down 100 park drinking fountains, 30 water sprinkling hydrants and 30 public lavatories in an effort to conserve supplies, and also requested consumers using more than 100 tons of water monthly, such as factories and public bath-houses, to cut consumption by 30 per cent. It was feared by many observers that unless the continued clear weather was broken and heavy rains fell, the city's health would be gravely endangered.

While ordering a reduction in the consumption of water, the authorities also were considering the suggestion put forward by Dr. Shujiro Matsunaga, of the Kyoto branch of the Japan Red Cross Hospital, that the nation tighten its belt and eliminate one meal a day. Dr. Matsunaga solemnly pointed out that by eating less, the people would be aiding the Government's efforts to save more rice for Japan's fighting forces. In further support of his theory that the Japanese people were eating more than they needed, the doctor observed sagely that there was a Japanese proverb: "A crane lives 1000 years." The crane he said, was "a bird of low diet."

Whether the Japanese government gave Dr. Matsunaga the recognition his plan deserved for its sheer simplicity alone is not known, but it was announced at the beginning of December that in connection with the "ten-year food production increase program," the authorities proposed to establish a land development company for the purpose of purchasing 612,500 acres of paddy field for the cultivation of rice, and to improve approximately 2,940,000 acres of land in order to obtain better yields.

Surplus From Shortage

According to the **Kokumin**, today in Japan, the country which for years has cried to the world to bear witness to its lack of living space, there are 3,400,000 acres of land still awaiting cultivation. Of this tremendous unexploited area (which doubtless does not include the well-known estates of Japanese big money men) the new company will develop about one third during the ten years of the Governmental production program. This land, according to the same source, will be developed by "surplus labor"—a statement strangely at variance with the report from Tokyo on December 4, that despite the increase of labor in Japan, manufacturing and mining industrial groups were clamoring for new workers.

The **Japan Times and Advertiser**, in publishing statistics reporting the increase in labor made available during the past twelve months, declared that so serious was the shortage of workers, industrialists were urging that labor be transferred from employment of lesser importance to munition works and other national defense industries. Tokyo Welfare Ministry figures revealed that as a result of the greater attraction provided in the national defense industries, there had been a gradual falling off in the number of laborers in the agricultural, forestry and fishery industries. Taking the Ministry's figures as being accurate, it seems that Japan is about to produce a miraculous "surplus" of labor out of a present serious shortage.

Faced with a domestic labor problem on the one hand and an ever-dwindling reserve of foreign exchange on the other, the Japanese Government recently ordered the Ministry of Finance and Ministry of Commerce and Industry, between which there has been constant friction during the past twelve months, to consult on an extension of the enforcement of wartime insurance, a wider application of the Export Fund Compensation Law, and a moderation of exchange control regulations.

Export Boost Sought

By effecting a wider application of the Export Fund Compensation Law, states a **Havas** message quoting the **Japan Times and Advertiser**, it is hoped that foreign trade might increase even in a period of shipping difficulties (**Review**, Nov. 30, 1940, page 423) and war dangers. At present, it was pointed out, Japanese war risk insurance contracts were confined to shipping, but now that there were more risks after landing than at sea, it was deemed necessarry to change the terms of the contracts so as to extend coverage up to the time of delivery at the warehouse instead of up to the time of landing.

Japanese export bills are guaranteed up to Yen 20,160,000 under the Export Fund and Export Goods Manufacture Financing Compensation Law, and the extent to which such guarantees (which may be termed subsidies) may be applied will be increased. With the moderation of exchange control, it is hoped that export trade with the sterling bloc will be promoted through encouraging the purchase of pound bloc export bills.

Whatever may be the outcome of these efforts to step up exports, they certainly will not be aided by the confusion expected to result from uncertainty over the forthcoming budgetary session of Parliament and the announcement of the Bank of Japan's new system of note issue. The latter particularly is reported to be causing a great deal of nervousness among small-scale industrialists who generally are compelled to depend on bank advances to cover packing charges.

The system was described somewhat optimistically in a **Domei** message as a measure to meet the "upward trend of currency now in circulation"—by which, it is presumed, it is intended to counteract inflation, although on the face of it, according to finance experts, the scheme is more likely than not to lend itself to further, and worse still, hidden inflation.

Fixed Basis Issue

The Bank of Japan announced that it intended to issue its currency in future on a basis fixed according to notes issued in past years against a "fluctuating reserve." The Japanese Ministry of Finance immediately began to push preparation for the introduction of a bill for such a reform at a coming session of the diet.

Acting in yet another direction to whip the nation's flagging industry into greater activity by ensuring the greatest supply of electric power possible, the Tokyo District Communication Bureau, in concert with other local administrations throughout the country, this month decided to despatch inspectors to factories and households on surprise visits to check power consumption and inflict punishment on those who have exceeded their allotment.

It was learned from the **Japan Times and Advertiser** that although restrictions on power consumption were ordered some time ago, it was found that the consumption of power in excess of allotments was common, largely due to the practice of using electricity for heating rooms owing to the shortage of charcoal and coal. It was decided that offenders in future would be totally deprived of power, or the amount used in excess of the allotment in one month would be deducted from next month's allowance.

There are but few individual privacies which have not been invaded by Japan's frantic bureaucracy in its wilder and wilder efforts to promote economy in any and every phase of domestic and public life, and as from the beginning of this month, even funerals, man's last act on the earth's surface, came under the official eye. The proposal came from Osaka that in order to reduce the costs of burial, cut flowers no longer should be used, but that tribute should be paid to the departed in the form of potted plants—rented from dealers and afterwards returnable for use at other funerals. "The departed soul will be just as appreciative of one form of floral offering as another," observed a spokesman of the Osaka Floral Dealers' Association—which would appear to be rather an unusual source for such a suggestion!

The Finger of Scorn

Providence (R. I.) Bulletin

Mrs. Agnes Dollar Dies

Mrs. Agnes Dollar, widow of the late J. Harold Dollar, died at her home in San Rafael, California, on Dec. 4 at the age of 54 years. Her death was due to apoplexy. Mrs. Dollar was well known in Shanghai, having arrived here with her husband in 1907 and residing here continuously until 1925 when they returned to the United States. Mrs. Dollar is survived by four children, Robert Dollar, Jr., Alice, J. Harold, Jr. and Virginia. Stanley Dollar, Sr., brother-in-law of the late Mrs. Agnes Dollar, is the only surviving son of Robert Dollar, Sr., who built up the Dollar Company, which became an important factor in Pacific shipping and the U. S. Northwest lumber trade. Mrs. Robert Dollar, Sr., widow of the elder Robert Dollar, is also a resident of San Rafael, Cal.

Undaunted by Japanese Savagery, China's Red Cross Workers Carry on Mission of Mercy Throughout Land

BY FREEMAN LEUNG

Kweiyang—(By Mail)—A Christmas star in search of a place of peace and goodwill on which to shine by virtue would be drawn to a small community in the hills a few miles outside of Kweiyang. The star would shine on the famous "Red Cross Valley", joint head-

Again—"So Sorry"

Philadelphia Inquirer

quarters of the Chinese Red Cross and the Medical Relief Commission.

Here, under the directorship of Dr. Robert K. S. Lim, a steadily increasing number of doctors, nurses, ambulance drivers, office workers, students, and visiting executives,—all in simple uniforms of gray cotton cloth,—work and study for the efficient care of the thousands of China's wounded and ill, military and civilian alike.

Dr. Lim, director of both the Red Cross Medical Relief Commission and the Emergency Medical Service Training School, is singularly well equipped for his task. His background includes the coveted degrees of M.B., D.Sc., and F.R.S. from Edinburgh. He had experience during the last World War in France with an Indian Medical Unit. Now his energies are devoted to creating, in the midst of another bitter war, an effective and efficient medical service adaptable to Chinese conditions. As a result, the National Red Cross Society of China is foremost among the government organizations in progress made during the 40 months of China's resistance.

Great Service Rendered

A brief review of the work done by the Commission shows the extent of its service. From January, 1938 to the end of 1939, medical personnel of the commission treated the staggering total of three and a quarter million surgical cases, including 33,910 operations. During the same period, 344,814 soldiers and 508,913 civilians were given treatment for illness, showing that the number of sick outnumbered those wounded, and that civilians formed a large percentage of cases.

To fight malaria, one of the gravest problems faced by the Red Cross, 12,929,600 quinine tablets were distributed between the summers of 1938 and 1940. Treatment was given to 65,372 malaria cases. Dysentery among the troops and refugees ranked second to malaria. In fifteen months cases numbered 12,500. Among the minor ailments, bronchitis and scabies cases were numerous because of exposure and lack of sanitation.

During 1939 and to date, more than 208 D.B.S. stations were erected (delousing, bathing, scabies treatment). For prevention of smallpox, cholera, typhoid, and tetanus, the commission administered a total of 1,618,481 vaccinations and inoculations during the period from January, 1938 to June, 1940.

One of the latest and most significant phases in the development of the commission has been the division of relief workers into smaller units. There are 160 of these, each consisting of one doctor, one chief nurse, one dresser, and one sanitary supervisor with two assistants. They are assigned to army and divisional hospitals on the most important war fronts.

Training School Conducted

Another important phase of the Red Cross is the training school conducted jointly by the commission and the Ministry of War and Ministry of Interior. Since the school was first inaugurated in June, 1938, at Changsha, its staff has investigated basic problems in the care of the sick and wounded and in anti-epidemic preventions, has devised local methods, and has started the first standardization of medical supplies and equipment. Emergency conditions and training classes in military hospitals has proved of great value in hastening the efficiency of education, which in two years has helped train 4,230 Red Cross technicians.

Out of transportation difficulties and the need for active duty bringing supplies and first aid to and from the war zones has risen a gallantry and self-denying spirit increasingly notable in the epic of Chinese resistance. The following passage taken from an official report made by Dr. Lim portrays this intense reality.—

"In their effort to evacuate supplies, equipment and personnel from fighting zones, there was many an unwritten saga of heroism and determination of Red Cross workers. Some evacuating ambulances were annihilated, and in Nanking Red Cross doctors and nurses who remained to care for wounded who could not be evacuated were slaughtered together with the wounded, adding horror to the savage massacre of some 20,000 civilians and unarmed soldiers in that city.

Repeatedly Bombed

"In the three years of warfare followed since then, other Red Cross which workers have been repeatedly bombed out of hospitals in which they were caring for the wounded, and a number of others have been killed or wounded while doing the same. Red Cross trucks and ambulances displaying the Red Cross emblem have been bombed or machine-gunned from the air."

The Red Cross depends largely on contributions, whether monetary or material, from home and from abroad. Two-thirds of the trucks and ambulances and much of the medical supplies and equipment are donated by Chinese and American organizations throughout the United States and Canada. Large contributions come from Java and other trade centers where Chinese organizations are established.

Red Cross workers receive low pay, but their zest and sense of service make them happy. A number of the doctors, nurses, and drivers are volunteers from Europe and America.

Aftermath

New York Times

Scenes like this, familiar to residents of the Far East since the beginning of Japanese aggression in 1937, are now being repeated in practically all parts of Europe.

Burma Route Busy Though Bombed

While Japanese planes all last week continued to take off from their recently acquired airfields in Indo-China in almost daily efforts to close the Burma Road recently reopened by Britain, a steady stream of war materials rolled along the now scarred highway en route to Chungking.

Bridges were given special attention by the Japanese raiders, who have claimed to have smashed numbers of them since the highway reopened, but according to reports reaching Shanghai from both the British and Chinese sides of the border, they are being repaired as fast as they are damaged, and traffic delays have been remarkably brief in view of the number of assaults carried out.

Meanwhile, although throughout the world great satisfaction already has been voiced at Britain's action in reopening the route, it is now learned that reacion in Britain itself has been particularly favorable. Few diplomatic actions, according to Mr. A. Morgan Young, formerly Editor of the **Japan Chronicle,** and now Editor of the London **Far Eastern Service,** have given so much satisfaction.

Even in....Australia, where a certain amount of apprehension exists at the possibility of a hostile Japan causing trouble, he writes in a newsletter, the reversal of the British policy of betraying China in order to put Japan into a better temper, is warmly endorsed.

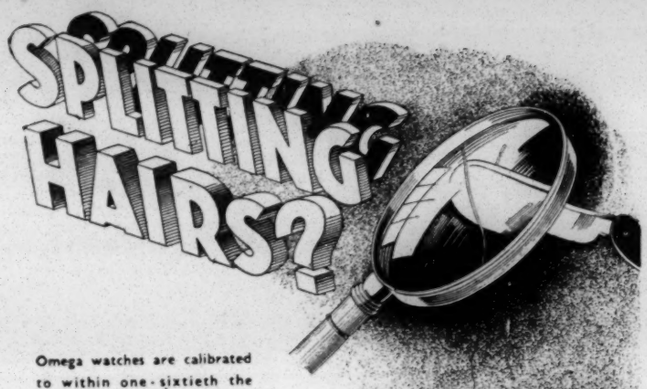
Bluff That Was Called

It is the business of the Foreign Office to pursue a policy advantageous to Great Britain, he continues but it is a happy omen that public opinion puts principles first and has been potent in this case to discard an immoral act. There have been many cases of wrongs and physical ill treatment inflicted on British subjects by the Japanese which will come up for a final reckoning in good time, but meanwhile this is a reassuring gesture to go on with.

Whether the reopening of the road was in time to do a great sufficient practical good remains to be seen. That the Japanese official spokesmen, after speaking darkly and threateningly, are now disposed to dismiss the matter as being of no particular importance, is encouraging an acknowledgement that they were bluffing and that their bluff has been called.

There are still some people, declares Mr. Young, who think that Japan must have had some good reason other than greed and rapacity for her action against China, and this would be a convenient moment for them to take stock of the position. For many years past, China's policy towards Japan has been to yield to unjust demands in the hope of satisfying this bellicose neighbour and perhaps even gaining her goodwill. But with every mouthful the Japanese appetite for more has become more ravenous. Japan was, on the other hand, so reasonable in her dealings with Britain and British subjects, that there was an inclination to believe that her complaints against China must be well founded .

A change began to be manifest after the Manchurian exploit; and when European complications made it appear necessary to Britain to pursue an appeasement policy towards Japan in Far Eastern affairs, relations rapidly deteriorated. A denial of rights to British subjects, insults and ill treatment became the order of the day, and with every fresh surrender things became worse, until we saw arrests of some of the most prominent British residents in Japan on palpable false charges, improper "examinations" and preposterous sentences, accompanied by an officially sponsored hate campaign.



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Netherlands East Indies Declared Unable to Withstand Japanese Attack With Defenses at Present Stage

BY MALCOLM ROSHOLT

"Let them come!"

These three words sum up the attitude of sturdy Colonials ready to defend the Netherlands East Indies against foreign aggression.

Cut off from the mother country and isolated from the Western world overnight, people in the Netherlands East Indies hardly knew which way to turn at the news of the invasion of their motherland. It left them confused and psychologically disorganized. It was suddenly realized, possibly too late, that nothing was secure any longer and that they must hurry and do what the motherland had not done—rearm.

They acted swiftly. Private news of the invasion of Holland was learned in Java at 10 o'clock in the morning of May 10. By 1 o'clock in the afternoon every German in the Indies had been interned.

Today, as one Netherlander told me, "We are not afraid for fifth columnists."

The problem of rearmament in Java, however, is not being solved by the internment of the German community nor will it be solved by the future internment, should war come, of the Japanese community of 4,000 people. There must be a franker admission of the danger that now faces the Indies.

At the moment, there is a strong tendency to underestimate Japan both at sea and in the air. Even the army in Java is told that a Japanese soldier is a bad soldier and any good brigade is worth two Japanese divisions. The fliers are told that there is nothing to fear from the air force. The example of the railway bridge on the Canton-Kowloon Railway is cited. (It took the Japanese several weeks to destroy this one bridge effectively). In a word, the Netherlanders in Java have somewhat the same inclination to underestimate the Japanese forces that other foreigners have.

Air Strength Compared

How many planes have the Japanese? How many have the N.E.I.? It is quite possible that the latter now have some 250 bombers mostly Martins, in addition to 250 combat planes.* The Japanese have equally as many in the naval air arm. The N.E.I. planes are mostly American and mostly new. They have this advantage over the Japanese. But what the Japanese lack in striking power and speed, they make up for in experience and practice. They have had three years of full dress rehearsal, landing and taking off from their aircraft carriers along the China Coast. They have had more than three years of land flying through some of the most difficult flying conditions in the world, and if the Netherlanders think that the mountains around Bandoeng, the present headquarters of the army and army air force, are going to prevent a Japanese raid, they would do well to study the Japanese raids on Chungking.

The naval forces now at the disposal of the N.E.I. consist of some four cruisers, 12 destroyers, 18 submarines and 75 to 100 small torpedo boats. It is said that this force is being expanded, but it is difficult to see who is expanding it.

*According to figures given by Robert Aura Smith, for many years managing editor of the **Manila Bulletin**, and now on the **New York Times**, the Netherlands East Indies imported 300 planes from 1933-36, 318 in 1937 and 1,200 in 1938. No figures were given for 1939 and 1940.

Although every able-bodied Netherlander and European of Netherlands descent is now in the army, the prospects of creating a defending force strong enough to resist a Japanese invasion on land are just about nil. The total European population of Java is not much more than 200,000 souls, men

All applicants for the N.E.I. Air Force must pass a strict medical examination as indicated in this picture.

women and children. Actually, if they could put three divisions in the field, they would be doing well—that is, three divisions of European troops. The standing army of native troops has never been more than 44,000 men, officered by Europeans.

Reports circulated in America and in the Far East to the effect that the Netherlanders have an army of 100,000 crack troops to defend the Indies are without foundation. Possibly half of the army is made up of men past military age, many with beer-barrel stomachs and bay windows.

The Netherlanders are betting almost 95 per cent on their air force. If the fliers fail to deliver the goods, and the Japanese succeed in landing 100,000 men, then the entire show would be over in a short time.

"It Can Happen"

When the possibility of an invasion is pointed out to the average Netherlander, he looks trustfully, at the map. "See," he says, drawing a line from Tokyo to Batavia, "that's a long way." He forgets that more than 600 years ago, Kublai Khan, the Mongol emperor sitting on the Dragon Throne in Peking, sent an expedition against Java. How many men he sent from China is not definitely known, but 300,000 men made the landing, Peking headquarters announced shortly after 1292. It must be admitted that the landing of so many men was made possible by a Javanese fifth columnist, but who knows but that some defeatist Netherlander might not allow the same thing to happen. The point is: it can happen.

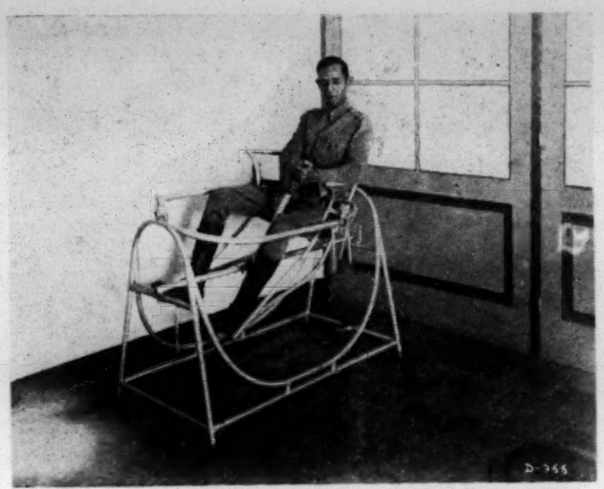
The Japanese are certainly in a much better position to land troops in Java than Kublai Khan ever was. With the third largest navy in the world and one of the biggest transport fleets afloat, Japan has adequate facilities with which to launch just such an expedition as Kublai outfitted in the 13th Century. Japan's big and important problem is not whether she could make a landing, because there is no doubt that she could. Her big problem is manpower. She is actually short of troops.

Japan has the alternative of a naval blockade. With northern Indo-China ready to fall, Japan would be well situated to subject both Britain's Singapore and Java's Bandoeng to air attack. If she gained control of the air, there would be absolutely nothing to prevent a naval blockade with a minimum number of ships.

N.E.I. officers think little of such a contingency. It is pointed out that the Government is in a position to supply the army fighting services with all their needs. Java has oil and gasoline, although the main oil fields are in Sumatra and Borneo. Just how the lines of communication between Balik Papan and Sourabaya, for example, are going to be kept open in time of war, is not explained. Moreover, every expert on defense will tell you that neither Borneo nor Sumatra can be defended and that preparations have been made to destroy all the oil properties, installations and wells as soon as any definite threat of invasion is felt. If these sources of oil are destroyed, then it is reasonably certain that the reserves of oil and gasoline in Java can not last much more than three months. There is no rationing of gasoline or oil in Java at the moment.

War Materials Needed

Assuming, for the sake of argument, that the Netherlanders have made provision for their oil needs, what else? No planes are made in Java. No spare



This cradle-appearing machine, enables the aviation-apprentice to determine his fitness for flying. The young man is an aviation student in the N. E. I. airforce.

parts are manufactured. Chemicals necessary for the manufacture of mines, bombs and torpedoes must be imported. Anti-aircraft batteries, and machine-guns must be imported. The army is not even equipped with sufficient rifles. Rifles are being made, but not fast enough to equip an army of 100,000 "crack troops." How will the authorities ever succeed in catching up with replacement orders or orders for an enlarged army? A beginning has only now been made in the manufacture of steel helmets, mess tins and small gear.

Who is going to manufacture submarine and mosquito boat torpedoes? And if the shore defenses around Sourabaya or Batavia are put out of action, who is going to supply the defenders with new ones? Many of the guns they have now should have been in a scrap heap a long time ago.

The coastal defenses in Java are definitely inadequate. The General Staff in Bandoeng refuses to give out any information or allow any photographs, not because there is anything new to hide but because the guns are old, the bores tainted. Possibly this deficiency is realized and every effort is being made to remedy the situation, but it seems a bit late in the game to do much about coastal defenses now.

Heavy artillery is a product not for sale on the world market at the moment. About all that can be done now is to build machine-gun nests and concrete pill boxes. This the Netherlanders have done.

What the Netherlanders lack in trained men and equipment, they are attempting to make up in what might be called surface defense preparations. Air raid dugouts are scattered profusely over all of Batavia, Bandoeng, Sourabaya and even to inland cities such as Djokjakarta and Solo. They are well built although they appear rather shallow. They do not go into the ground more than three feet at the most. In Batavia it was explained that if they dug more than three feet down, they would reach water. But the same structural design is applied to Bandoeng and how anyone could strike water three feet down at an altitude of 2,000 feet is a mystery.

City Precautions

Trenches have been dug at some points in the cities. Police stations are protected by intricate systems of wire entanglements and fire stations have been sandbagged. Many public buildings, godowns, oil tanks, and train sheds have been painted grey. No windows have been taped. Highway signs and guide posts have not yet been removed.

Air raid sirens have been mounted on steel towers and on office buildings throughout every city on the island. Considerable difficulty is being experienced by the population during blackouts. The heat makes it next to impossible to keep windows and doors covered, yet if food is to be cooked and eaten during a raid, some light must be used and that means blocking out any air that might circulate through the house.

Bridges have been mined, particularly along those roads leading from Batavia to inland cities such as Bandoeng, Cheribon and along the approaches to Sourabaya in East Java.

The training of troops for the army has involved considerable dislocation and readjustment in business. Every available reserve has been ordered to the colors. The reserve officers spend three weeks in camp every three months or so. In addition to the regular army, a citizen militia, consisting of all able-bodied males over 16, has been called up. These men are given six to nine months of training. Approximateiy 200 Netherlands nationals from South Africa have also come to Java for this training period in the militia.

Harbors and likely landing places have been mined and wire entanglement has been erected along all strategic approaches to the coasts. At Balik Papan, heart of the big oil fields in Borneo, similar precautions have been taken. An army garrison of less than 5,000 men is stationed at Balik Papan. This post has been maintained there not only to guard the extensive oil properties at Balik Papan, but also to keep order in the endless jungles of the interior. Patrols are sent out from here which cover every corner of Borneo at periodic intervals. These same troops have laid out secret landing fields for the air force in the jungle.

Race tracks and open enclosures in all the big cities of Java, Celebes, Sumatra and Borneo have been made useless for landing planes by coconut poles planted in the ground, or trenches. Golf courses have been plowed up and furrowed.

Defense Estimates

The N.E.I. defense budget for 1941 was originally expected to be F294,500,000 out of a total estimated government expenditure of F644,200,000. In a word, defense commitments in 1941 will take up nearly half of the government budget. Actually, F294,500,000 is a small amount (approximately US$150,000,000,000) when compared with Big Power standards in the rearming game. One official in Java declared that this estimate most likely would be enlarged by supplementary estimates to be introduced later in the year. The first estimate was marked down in order not to arouse too much opposition from native politicians in the Volksraad (Peoples' Council). By calling for additional funds later on, less opposition was likely to be encountered, he observed.

A graphic story of rearmament in Netherlands India is afforded by the defense statistics in the last six years. In 1936 the government spent only F58,500,000 or about US$30,000,000—less than the cost of one American battleship! In 1937 a few more guilders were added to make F77,300,000. In 1938, when world events took a turn for the worse, the defense budget was upped to F147,300,000; in 1940 it was F276,100,000 and for 1941 it stands at F294,500,000 with every likelihood that supplementary grants doubling the original estimate will be asked for.

Taxes have been hiked right down the line, affecting all classes both in the foreign and native communities. An average of 30 per cent duty is collected on all imported articles except articles necessary for the war effort. The white collar worker who formerly contributed six per cent of his salary in income taxes, must now give 10 per cent, which means nearly a month's salary out of a year. Gold wedding rings have been exchanged for iron, and social life has been geared up to make every social function, and every bridge game an indirect contribution to a war fund.

Poster Campaign

A poster campaign has been initiated throughout the Indies both to warn against spies and to boost moral. Although no billboards are used yet, window posters and cards may be found everywhere.

The most common poster in all the Indies today is one depicting Hitler standing behind a bar listening to two sailors. One sailor is motioning the other to hush up. Across the picture in big letters runs the slogan "Pas Op." (Be Careful). Underneath the picture

Sample of the mobile equipment of the new Netherlands East Indies defense forces. This is a mobile radio communications set.

the caption runs: "Do not discuss movements of ships or military affairs." And then in larger type: "The enemy is listening to us!"

Other posters are quotations from recent speeches by Queen Wilhelmina in which her people are exhorted never to give up the struggle for the Motherland, "even unto death."

There are a number of weak spots in the Netherlands Indies defense scheme. One of the first that might be mentioned is the friction between the army and the navy. Rivalry between the two services is standard over the world, but in the N.E.I. the rivalry is one that affects the stoamch rather than the ego. Up to the time of the war in Europe, the N.E.I. navy was paid by the government at the Hague. The army in the N.E.I. is paid by the the government at Batavia, that is, the Netherlands Indies Government. The difference in pay is out of all proportion to any other army and navy standards.

The mutiny in the Netherlands navy several years ago was attributed chiefly to poor conditions of service. After this incident the amount of money allotted to the sailor for his messing was raised to 80 guilder cents a day (about US$0.43) The garrison in the N.E.I. even to this day, has a mess allowance of only 30 guilder cents per day; the native troops 24 guilder cents. Just how much longer the troops are going to tolerate this position remains to be seen.

Rivalry in the army between the infantry and artillery is not a weak spot but it is rather striking, at least if one were to judge from the various reports circulated in Java. The artillery has a particularly lusty reputation. During recent maneuvers, a quick retreat by the infantry was so quick that the artillery was left stranded and in their haste to get back, they left their guns—but not their beer!

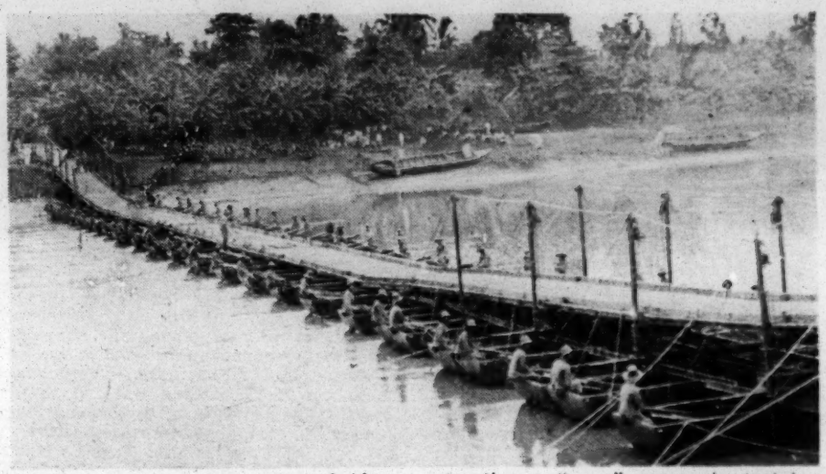
Another weak point in the army of Java is its intelligence work. For obvious reasons the nature of this deficiency can not be revealed but it is real and should deserve special attention by the General Staff.

Information Lacking

Possibly the biggest deficiency in this connection is the lack of knowledge about Japan itself in the Netherlands Indies. There is little literature in the Netherlands language about Japan. No interest has ever been taken in this country heretofore and now, when people have suddenly come to realize the danger of this lack of information they have no where to turn except to English and American texts. And this cannot be done overnight.

The crux of the Netherlands defense problem, however, is not the lack of a trained intelligence staff, nor lack of torpedoes and big guns. The crux of the whole problem lies with the Dutch themselves, who refuse to permit the enlistment of more native troops into the army. Not only are Japanese and Sudanese youths anxious to defend their country, but Chinese too are eager to take up training. There is some justification for refusing Chinese in the army because, it is pointed out, if Chinese are admitted, then Japanese must be admitted as well. Although there are only 4,000 Japanese in the Netherlands Indies and some 1,200,000 Chinese, the argument does have some basis although it must be admitted, not a very strong one. The fact is that in time of war with Japan, the 4,000 Japanese in Java would be interned in the same manner that the German community was interned on May 10, 1940.

It is difficult to understand why the Netherlands authorities should fear an enlarged army of native troops. The fighting qualities of the natives are well known, particularly in guerilla warefare. One high officer declared he would rather lead a detachment of native troops than a white army any time. Neutral observers who have made a study of native culture confirmed this high regard for the troops. No one can doubt this much after reading Miguel Covarrubias' account of the last revolt against Netherlands authority, which was put down in Bali in 1910. The mass suicide attacks against Dutch arms by the last of the ruling families is equal to any act of heroism and self-sacrifice in history.



Many canals make pontoon bridge construction a "must" course in training for the defense of the Netherlands East Indies. This is a newly-constructed pontoon bridge built by the new army in connection with recent defense maneuvers.

Revolt Said Feared

The reason for refusing more native troops is the authorities' fear of a revolt against themselvse. This possibility can not be discounted entirely, but, it would seem that if the government kept the air arm distinctly in European hands any contingency of mutiny could easily be dealt with.

The natives are just as aware of the danger facing them as the Netherlanders. There has been no single instance of fifth column work among them. As a matter of fact, old officials in the civil service confided that they were amazed at the expression of loyalty which had manifested itself among all classes of the native population since the occupation of the Netherlands. The contributions made to Spitfire Funds, Red Cross work and other organizations from among the native and Chinese communities have exceeded all expectation.

It is quite possible that the Dutch have more to fear from their own people than they have from the natives. There was, in the beginning, a definite touch of defeatism prevalent in Netherlands circles. This is gradually being allayed by various factors—by the fact that Japan has not yet attacked; the success of the Government in meeting the Japanese Economic Mission which came down to ask for the oil fields and got only a fair amount of oil drums; by the re-election of Roosevelt and the feeling that America will keep its navy in the Pacific sufficiently strong to act as a constant threat to Japan's home front; and by the vague belief that if the worse comes to worst, America may actually intervene.

Despite these vague assurances, there are others in Dutch India who are openly pessimistic. One Mr. Spit in Batavia was known as a defeatist. He was nevertheless at the head of a Queen Wilhelminia Fund which was organized shortly after the invasion and bombing of Rotterdam. After the funds had been collected, so the story goes, the Netherlanders wired the British in Singapore and asked what they should do with the money; the story goes that the British reply came back: "Buy Spitfires; fire Spit."

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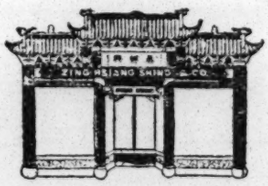

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Shanghai's Outside Roads Problem Made More Involved by Emergence of Puppet Government From Aftermath of War

BY ANNA GINSBOURG

At all times even before the outbreak of Sino-Japanese hostilities in August, 1937, a thorny controversy between the various local Chinese governments and the Shanghai Municipal Council, the problem of the "outside roads" (Extra-Settlement Roads Area) has become even more involved by the emergence from the aftermath of war on the city's borders of a Japanese controlled puppet government laying claim to complete authority over the area.

The history of the outside roads controversies is in itself a miniature study of Sino-foreign relations over a period of 25 years, including the latest developments created by Japanese military domination of the area and the Chinese who make a pretence of governing it, and in it may be found the root cause of many of the outstanding issues, not least among them the current policing question, now engaging the attention of the Settlement and puppet authorities.

Shanghai was opened to foreign trade in 1843. And the boundaries of the Foreign Settlement "intended for exclusive use of foreigners for the purposes of residence and trade" were specified in 1849 in the Land Regulations, which emphasized that Settlement was reserved for foreigners residing and trading under the authority of their own officers. A decade had not elapsed, however, before the foreign area was opened for Chinese seeking protection from the Taiping Rebellion, and as both sides derived benefit from this contact, the basis for future intercourse based upon mutual advantages was thus laid and remained unchanged ever since.

Demands for the extension of the Settlement were made by Foreign authorities soon after the Taiping Rebellion, and as its benefits were not less clear to the Chinese than they were to foreigners, the first extension was granted on the ground that the Settlement was overcrowded by refugees. Two successive extensions were achieved in 1863 and 1899.

Legally these extensions were based only on the goodwill of the Chinese Government, as there were no provision to this effect in the Treaties regulating the establishment of foreign settlements. As the feelings of the Chinese authorities with regard to foreign expansionism varied all the time, the success of the drive for extensions was purely incidental. On the one hand the Chinese could not remain blind to the fact that the foreign areas enjoyed law and order and the advantages of modern scientific development on the other they developed anti-foreign tendencies culminating in the Boxer Rebellion. Sino-Foreign relations of that period rather resembled the courtship by a seriously-minded hero of a wavering and capricious heroine.

Expansion Stopped

The Chinese Revolution of 1911 and the World War presented obstacles in the way of obtaining further extensions of the Foreign Settlement, and some other means of securing its growth had to be devised. Such were provided by the Extra-Settlement Roads.

The practice of acquiring land beyond the Settlement limits for roads and parks originated during the Taiping Rebellion, when the Settlement was crowded with refugees, and a legal basis for such action was provided by Art. VI of the **Land Regulations** adopted in 1869, which read:—

> ....It shall also be lawful for the Land Renters, and others who may be entitled to vote as hereinafter mentioned, in public meeting assembled, to purchase land leading or being out of the Settlement, or to accept land from foreign or native owners, for the purpose of converting the same into roads or public gardens and places of recreation and public amusement, and it shall be lawful for the Council from time to time to apply such portion of the funds raised under Art. IX of these Regulations, for the purchase, creation and maintenance of such roads, gardens, etc. as may be necessary and expedient. Provided that such roads and gardens shall be dedicated to the public use, and for the health, amusement and recreation of all persons residing within the Settlement.

Under this sanction agreed to by local Chinese authorities foreigners bought land for the construction of roads and buildings along the roads. However, the natural implications began to breed trouble. From the point of view of foreign Authorities, the assumption of jurisdiction for policing purposes on the roads constructed by them, and the extension of various municipal services along them for the benefit both of foreigners and Chinese was a natural course to be taken. As the Chinese landowners however, continued to pay to their own Government taxes on the land used for roads, they objected to foreign administrative control. Controversies arising out of problems of policing, taxation and the operation of municipal services soon became the order of the day.

Utilities Question

The establishment of the Municipality of Greater Shanghai in 1927 and the organization of Chinese police force for the areas surrounding the Settlement opened the possibility of negotiations for an adjustment of certain issues but a further difficulty arose through the establishment of Chinese public utility

services which came into competition with the public utility companies of the Settlement. This issue was finally solved by separate agreements reached between Chinese and foreign utility companies, but the question of policing continued to breed trouble, accentuated by the growth of Chinese nationalism demanding the rendition of foreign-controlled areas. This state of affairs continued until the Sino-Japanese incident in 1932.

During the hostilities which followed, the Japanese took complete control of the Northern District including a part of the Settlement, disarmed Municipal police and paralyzed all municipal activities. Their military control of this part of the foreign-administered area began then and has continued ever since.

The Sino-Japanese hostilities of 1932 and 1937 resulted in a new phase in Sino-Foreign relations. The demands for the rendition of the Settlement ceased as its security proved a haven of refuge for Chinese themselves, and the issue was taken up by the Japanese and worked on both in theory and in practice.

Japanese "Co-operation"

Since the Japanese occupation of Shanghai and the organization of the Nanking Government, terrorist activities rampant both in the territory of the Settlement and outside of its limits have been the cause of constant pressure exercised by the Japanese on the Municipal Council for alleged indifference in suppression of political crimes. In case of such crimes occurring in the Extra-Settlement Roads area, however, disputes over policing authority and the question of jurisdiction, similar to those arising in pre-war days between Chinese and Municipal Police, always took place, with the difference lying in the non-compromising attitude assumed by the Japanese authorities.

The proclaimed "New Order in East Asia", the prerequisite of which is the co-operation of Asiatic peoples to the exclusion of foreign influence is the underlying motive of Japanese aggressiveness with regard to foreign areas in Shanghai. Its implications, far-reaching as they are, should be viewed in the light of sober reality. This is why the fate of the Western District, built upon the shaky foundation of Land Regulations' clause providing the construction of roads for recreational purposes, but in fact presenting a highly modern city opened for trade and residence of Chinese and Foreigners alike, hangs in balance at present. The "defensive" control over it assumed by the Japanese after the withdrawal of British Forces from Shanghai has now been turned into military control under the pretence of suppression of terrorist activities. And as in the case of Hongkew, this amounts to virtual loss of a whole foreign-controlled area to Japanese domination.

Thai Canal Project

According to a German **Transocean** dispatch from Bangkok, the Thailand Government is planning the early construction of a canal connecting the Indian Ocean and the Gulf of Thailand and reducing the voyage from the Far East to India by about 1,500 miles. The German report claimed that by taking advantage of the Pangnga and Kiliray Rivers, which are navigable for small craft, the problem of construction would be more simple than earlier plans to cut directly across the Isthmus of Kra. It was claimed that preparatory work on the canal is already underway. Reports of plans for constructing a canal across the Kra Peninsula have appeared in various newspapers in the past quarter-century, most of them linked with Japanese activities in the South Seas. The present report stated that by building this canal it would enable steamers to "avoid the Malacca Straits and British control at Singapore."

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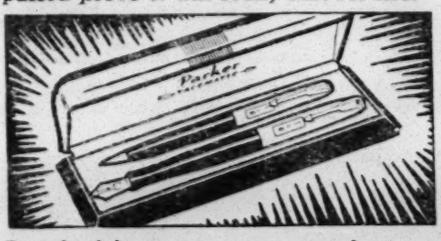

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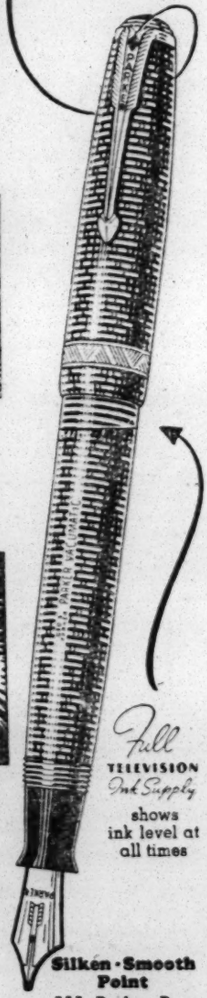

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Hongkong Ends as Free Port for Chinese When Emergency Restrictions Come Into Force Beginning on January 15

Special Correspondence

January 15, 1941, long will be remembered by the Chinese in Hongkong, for that day will mark the end of this British Colony as a "free port." The newly-introduced Immigration Control Ordinance, which was enacted by Hongkong's Legislative Council on Nov. 28, is scheduled to come into effect on January 15, and thenceforward the movement of Chinese between Hongkong and China will be subject to multiple vexing restrictions.

The new law is of historical significance. Not only does it represent the abandonment of the "free port" tradition by Hongkong. It may also vitally affect its future commercial prospects. Fluidity of population has been a marked feature of Hongkong as an entrepot. The Chinese constitute nearly 98 per cent of Hongkong's population. Any restrictions on their movement are bound to deprive the port of that fluidity which is so essential to its commercial prosperity. Operation of the law will show whether it is a wise move on the part of the Hongkong authorities, aside from its immediate object of checking the influx of refugees.

Entry into Hongkong in the future, whether by land, water or air, must be accompanied by one of the three designated documents—entry permits, certificates of residence or frontier passes. Persons not equipped with any of these documents or failing to comply with any provision of the new law may be refused admission, or be subject to detention, fine and expulsion.

The new legislation, it is officially explained, is essentially an emergency measure designed to meet abnormal conditions. The overwhelming influx of refugees is stated to have made immigration control a necessity in the interest of health, sanitation and defense. Its chief function will be to regulate the entry and departure of persons into or out of the Colony and to prohibit the entry of undesirable elements. For the purpose of dealing with this problem, an Excess Population Reduction Committee has been created, and an expert on immigration questions, Mr. S. M. Middlebrook, of the Malayan Civil Service, invited to assist in its solution. The new law is the outcome of "A Scheme for the Control of Immigration into Hongkong," prepared by Mr. Middlebrook and adopted on the recommendation of the Excess Population Reduction Committee.

While the new measure aims at the exclusion of undesirables, it is at the same time designed to facilitate the influx of desirable elements and encourage the Chinese trader to move in and out of the hinterland as before, according to official explanations. Among the list of undesirables not entitled to documents are the diseased, maimed, blind, indot, lunatic or decrepit, beggars, prostitutes, persons suffering from contagious disease, and individuals without means of support. Also refused entry are disturbers of peace and order, and those with questionable passports.

Fixed fees will be charged for the entry permits, certificates of residence and frontier passes, each of which carries a limited period of validity. Entry permits are of two kinds ($2 for six months and $6 for two years) and are issued to (1) local residents wishing to leave Hongkong for any purpose and for a limited period; (2) intending visitors on business or pleasure for a fixed period, and (3) persons arriving at the land frontier or the harbor without having made any previous application.

The procedure of applying for the documents is cumbersome and annoying. In the case of entry permits alone, there

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is a formidable questionaire of 25 long and involved questions ranging from name, sex and occupation to almost self-incriminating confessions, which an applicant must fill up before a permit can be issued to him. One of the questions asks "whether the applicant has been convicted for any offense against the laws of Hongkong or any other British territory, or expelled therefrom."

In view of the fact that this phase of the new law is of special interest to intending visitors from Shanghai or other parts of China, it deserves some explanation. Visitors are advised to obtain the permits before starting the journey. They can either make a written application themselves to the Immigration Officer or ask a local resident (relative or friend) to apply for their behalf, or apply through authorized travel agencies. The applicant is required to answer all the 25 questions in the registration form to the satisfaction of the Immigration Office. He must furnish two copies of his photograph, and his permit to be valid must be signed by an officer of the Immigration Office and by himself.

Cash Security Needed

This is not all. Cash security not exceeding $250 may be required with valid travel or entry documents. The money will refunded providing the conditions imposed are fulfilled. It may also be forfeited in case of any serious offence against the regulations. The security, sufficient to cover the costs of repatriation if necessary, will usually be taken from persons visiting the Colony for a limited period as a guarantee that they will leave within the period allowed.

Certificates of residence are issued normally to applicants in employment, those who have local interests and those who can prove the required period of residence within the Colony. They are also of two kinds ($6 for residence over four years and $2 for residence over 10 years, both valid for five years). A false impression prevails among a large number of Chinese that it is necessary to posses aesidence certificates before they are permitted to reside in the colony. Actually, this is not the case. Only those residents who intend to leave Hongkong and to return are required to be equipped with such documents, which will entitle them to enter the colony and establish regular residence in lieu of entry permits, the latter being confined mainly to persons visiting the Colony for a fixed duration and a definite purpose.

Frontier passes ($2 for one year) will be confined to peasants, fishermen, and country folk living along the frontier. They are meant to meet the special case of the poor people who habitually cross the frontier into the Colony to sell foodstuffs.

The following classes of persons are exempt from the regulations: 1. Holders of valid passports or other travel documents; 2. Persons under 15 years of age or all children under 4 feet 6 inches in height; 3. "Through" passengers.

The law provides severe penalties for offenders. Every act, failure, neglect or omission whereby any requirement of the new law is contravened shall be deemed an offense, punishable on summary conviction by a fine not exceeding $1,000, and imprisonment for any term not exceeding 12 months, and by expulsion from the Colony. Any security furnished is also liable to be forfeited in this connection.

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Kunming Students Meet Hard Times With Self-Aid Projects; Group Blazes Way in "Hit" Stage Show

BY MISS KUNG PU-SHENG

(*National Student Secretary, Y.W.C.A.*)

As a result of the Student Relief Project, begun last summer to enable students from all parts of China to carry on their work in comparative peace, Kunming has been turned into an educational center rivaling Shanghai in extent. A total of five thousand students have been enrolled in the four re-organized national universities, Yunnan, Tung-chi, Sino-French, and National South-west, now established there.

The notable feature of the Project is that tuition costs are exempted through government aid and scholarships, arranged by the Y.W.C.A. Cooperative working and living made it possible for students to live and study during the summer on approximately $15 per month. As $14 of this amount was made available to at least one fourth of the students, the balance, $1, would seem an exceedingly low price to pay for college education.

In reality, the extra dollar and the purchase of incidentals such as paper and ink are proving rather a heavy burden to students who have no income from home or other sources. The cost of living in Kunming is higher than any other city in China, the index being 500 percent above the pre-war level. Monthly food costs have risen to $18. From a survey of 100 cases by the writer, it was estimated that the minimum cost for a student per month in Kunming is now $35. With winter arrived, the need for further aid is becoming imperative.

Work Relief Subsidies

To help alleviate distress, the Relief Committee has adopted a new plan this winter whereby living subsidies are given to students not as outright gifts, but on work relief principles. Each university recommends a number of available jobs or services to which students are referred. The works ranges from clerical service to farm labor. Mutual aid societies among the students themselves also help to tide needy ones over lean months.

An outcome of this plan is that Kunming was successful in raising its own relief funds locally by producing the "Life of Ah Q" in play form for the local residents. The work was that of Lu-hsun, the most respected writer in China among students during the last ten years, and the effort met with enthusiastic response. The "Tangpu" Hall was borrowed, students were drafted for actors, scenery makers, even janitors, and many helped in selling tickets. Altogether more than 150 students participated.

Performances were seen by an estimated six thousand people, and were mentioned by critics as being the best in artistic value of any given in Kunming during the year. Air raids interfered with attendance or the goal of ten thousand dollars would have been reached easily. There were worthy results other than income, however. It was the first time that an extensive self-run project was attempted in Kunming, and proved that more are possible. The students took great pride in the activity, and the public's attention was directed to the seriousness of the student aid problem.

Four Sections Formed

Work and study under the Project is divided into four sections: carpentry, food making, literary work, and mass education.

Carpentry is handled in the local Y.M.C.A. Each student begins and completes his own article with the guidance of a professional carpenter brought in when needed. Since toys are exceptionally scarce in Kunming, 200 of these were made last summer. Pride and enthusiasm over the skill attained and the value of the products has made the activity one of the most popular.

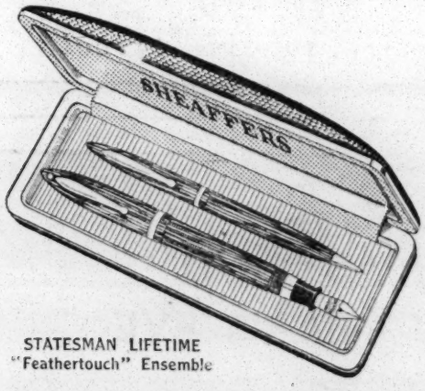
Cooking classes emphasize the efficient handling of native food at the lowest possible cost. For this, voluntary help was given during the summer by Mrs. Y. C. New, of the Legislative Yuan. Since that time, students who joined the project have started food making in their individual schools during the fall.

Literary work received a setback through the European war, when consulates began issuing their own news bulletins. Formerly the chief activity of the students was putting out the English News Sheet, which supplied a definite need and was very popular. Other projects to help the students master translation and writing in their secondary language, English, are under way, the need being for an expressive interpretation of the problems, thoughts, relations with foreign countries, and educational successes to friends local and abroad. As yet there is no English newspaper in either Yunnan or Kweichow provinces.

Mass education is for the most part a matter of volunteer endeavor. Students are assigned to be teachers in mass education projects already under way through other organizations. Although monetary aid to such teachers has ceased since September, interest has encouraged a continuance.

New U. S. Consulate

The U. S. Government will shortly open a new Consulate-General at the Russian Far Eastern port of Vladivostok, according to a **United Press** report from Moscow. Germany, Japan and China are the only countries now represented at Vladivostok, stated the report. The United States has not had a consular official in Vladivostok since the withdrawal of American troops from Siberia during the World War. The German **Transocean** service, in commenting on the opening of an American consular post at Vladivostok, said the Soviet port was a good "observation post" for Far Eastern affairs, and in addition Vladivostok had recently become important for American exports to the Soviet Union, particularly gasoline.



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Thailand Indo-China Hostilities Continue

The first month of hostilities between Indo-China and Thailand drew to a close last week with continued sparring for border settlements, daily accusations and denials of aggression by each country against the other, and separate ratification of peace treaties between each country and Japan.

Two days of peace, December 13 and 14, held hope of a possible settlement through a meeting of the long suspended Thailand-Indo-China Border Commission. Optimism subsided, however, when reports of conflict came from both countries, and the next day bombings were resumed.

No major power seemed willing to intervene. Foreign trade ceased for both sides. Britain withdrew behind her treaty made December 11, ceding the Kochang regions to Thailand. The United States unofficially opposed "any action by the Thai Government which would involve the nation in war", according to the **United Press.** Japan balanced her negotiations with each government by officially establishing amicable relations in separate treaties and by pushing economic parleys. The latter was in the form of a mission invited to Tokyo December 13 under Jean Cousin, French Director of Finance for Indo-China.

Meanwhile Japanese infiltration of Indo-China was becoming more noticeable. Major-General Raishiro Sumita, Chief of the Japanese Supervisory Commission, left Hanoi for a two-week inspection tour of conditions. Full compensation was paid to the government of Indo-China by Tokyo for the air disaster of last July 7, when a French plane was brought down by Japanese anti-aircraft batteries over Waichaw Island, according to a **Havas** report. The same day, December 14, Mr. Jinkyo Futami, newly appointed Japanese Minister of Thailand, arrived in Bangkok to take over his duties.

Vichy Undisturbed

The attitude of French headquarters at Vichy remained unchanged from its early stand of December 12, denying any serious developments in the affair. A **Havas** report of that date quotes an official communique alleging that "Communist elements, who had been stirred up by propaganda for some time, indulged in certain violent acts, which were considerably exaggerated."

"Since that time," the communique continued, "the local authorities, in full agreement with Vice-Admiral Jean Decoux, Governor-General of Indo-China, took measures to quash these clearly subversive activities, which failed to affect in any way the morale of the majority of the population."

Following is a summary of the week's hostilities.

Dec. 13.—French aircraft continued retaliatory raids against Thailand military bases by bombing Udorn and carrying out flights over Nakhonphanom, opposite Thakek in Indo-China, on the Mekong River, **Domei** reported.

Saigon Demonstrations

The same day official reports denied stories of extensive disturbances in Cochin-China, stating that only in limited areas in Saigon had demonstrations occured. Some government buildings and a number of private houses were

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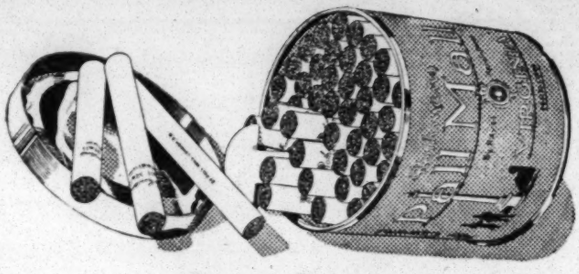

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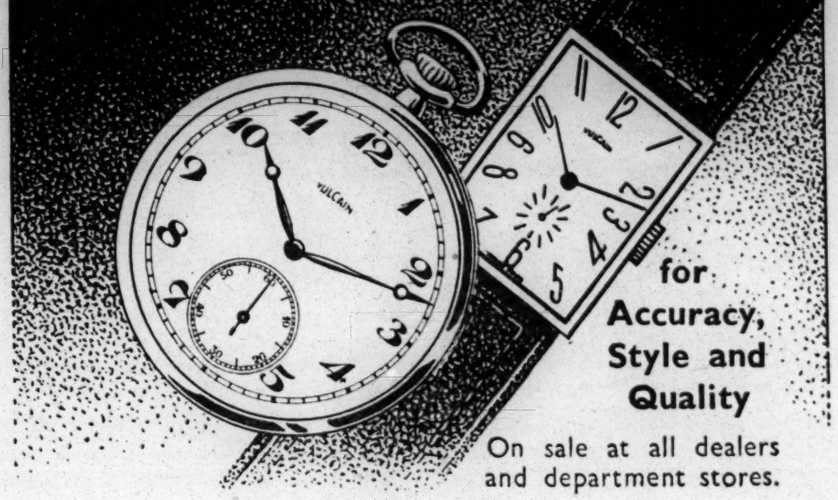

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damaged. French soldiers aided Saigon police in restoring order.

Vice-Admiral Jean Decoux in an interview with Japanese correspondents in Hanoi explained that Indo-China's retaliatory measures would continue. "Thailand's actions do not eliminate all hopes of a peaceful settlement, but if the present conflict breaks out into general warfare, the responsibility shall be borne by Thai," he stated, according to **Domei.**

Dec. 14.—Denials were made by Hanoi officials of Thai press allegations that French forces were preparing a large-scale offensive, **Havas** said.

In a second interview with Japanese newsmen, Vice-Admiral Decoux was quoted by **Domei** as saying: "The future of border hostilities now going on depends entirely upon Thailand." He went on to say that the government still wished for ratification of the border peace treaty, in which a joint commission would be entrusted with settling the frontier incidents.

Dec. 15.—Bombings were resumed after two days of peace. Thai planes again attacked the frontier towns of Savannakhet and Vieneance, dropping more than 30 bombs, according to **Domei.** One Frenchman was killed and two were wounded during the raid, while two buildings were hit.

Artillery Opens Fire

Dec. 16—Artillery began shelling across the frontier, **United Press** stated. Fire was exchanged between the outposts of Aranya, on the Thailand side, and Prades, on the French. The French Tricolour fell to the ground when a shell toppled the flagpole over the Predes garrison. Annamites were crossing the frontier to seek Thai protection, a Communique from Bangkok stated.

Dec. 17—Thai planes were reported to have dumped 30 bombs on Xiengkhouang, a French military camp south of Vienteanne, a Havas account from Hanoi stated. Both sides issued communiques alleging desire for peace but avowing determination to return in force all acts of agression.

As a final note to the week's activity, Major General Raishiro Sumita, chief of the Japanese Military Mission to French Indo-China, told **United Press** that Japan was interested in acquiring a military base in south French Indo-China "as a base against Chungking". The **United Press,** however, goes on to mention authority for belief that it would be for use as a possible stepping stone to the Netherlands East Indies, where Japan night obtain oil by force if necessary.

The same sources indicated that Storm Island was being prepared to receive large troop concentration from Hainan Island, where there were over 75,000 Japanese troops.

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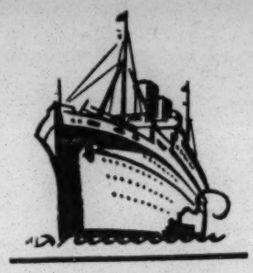
Joint Police Talks Await Tax Parleys

While extremist elements in the City Government were reportedly seeking to snip off S.M.C. tax revenue in the western "outside roads" area, new exhaustive parleys on the longvexed question loomed on Wednesday. Tax revenue in the district would have to be officially apportioned between the two administrations before the new joint police force can come into being, an informed source pointed out to the **China Press.**

TO NORTH AMERICA



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Foreigner, Nippon Officer Murdered

Terrorists turned their attention to a foreigner in Shanghai last week and felled their 13th Japanese victim as the city's crime wave entered its sixth month with unabated force.

Shanghai was shocked by the assassination on Monday of M. Edouard d'Hooghe de la Gauguerie, legal adviser to the French Consulate-General and French Municipal Council in Shanghai.

Just as in all previous assassinations and assaults made by Chinese gunmen on foreign officials here, the assassins escaped, despite all the efforts made by the French Police to arrest them. Investigations, however, are being continued and French Police officials expressed hope that the two Chinese who carried out the crime would fall into their hands in the near future.

Opinions were expressed that the crime was political, as M. d'Hooghe was known to have advised the French auhorities to transfer the Chinese courts in the French Concession to the Nanking Government.

The late M. d'Hooghe was returning home, after visiting his dentist at about 6.30 p.m. on Monday when two gunmen fired several shots just as he was alighting in front of his home at 24 Route de Boissezon. Several policemen were attacted by the shots and attempted to arrest the assassins, but they disappeared in the darkness. The wounded official died at Ste. Marle's Hospital at about 8.30 p.m.

13th Japanese

On the day that Mr. d'Hooge fell a victim of the assassins' shots, terrorists struck again at a Japanese army officer —the 13th Japanese serviceman to have been shot in Shanhai since September 26.

Soochow Creek bridges were closed again Japanese search parties were operating in the Hongkew and Wayside districts following the attack on Lieut. Masao Nomura by a lone Chinese gunman at the corner of Ward and Thorburn Roads, in the vicinity of the Wayside Park, at 3 p.m.

A small Chinese boy was also wounded by a stray bullet and was taken to the Yangtszepoo Hospital in an S.F.B. emergency ambulance, suffering from a slight wound to his thigh.

Whether the Japanese, officer was seriously or slightly wounded could not be ascertained, as he was immediately removed by the Japanese authorities, although rumours were circulating that he died.

The victim, it appears, was a member of a Japanese search party, operating in the district. At the corner of Ward and Thorburn Roads, the party stopped a Chinese to search him, but the latter, armed with a pistol, turned and ran, with the Japanese hot on his heels. Seeing them catching up with him, the gunman fired five shots, wounding one of his pursuers.

The victim's colleagues stopped to help the wounded man and the gunman, taking advantage of this, disappeared. A cordon was immediately thrown around the area, and Japanese parties started searching all Chinese. It was learned that several suspects had been arrested by them during the searches although the real culprit was still at large.

As soon as the shooting was reported to the Japanese military and naval authorities in Hongkew, all Soochow Creek bridges were closed, while parties of Japanese bluejackets carried out searches of Chinese not only in the Wayside district, but in Hongkew as well.

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

December 1

President Roosevelt announced yesterday that the United States would grant the Chinese Government a credit of $100,000,000, revealing simultaneously that arrangements were being made for the purchase of $60,000,000 worth of strategic materials from China. Half of the $100,000,000 credit would be made to China for general purposes, while the remaining $50,000,000 would be allocated in the near future "for purposes of monetary protection and management as between the American and Chinese currencies."

Mr. Cordell Hull, Secretary of State, commenting in Washington on the treaty between Japan and the Nanking Government, declared the United States "of course continues to recognize the Chungking Government."

Chinese Government officials were jubilant over the new U.S. loan, stating that the loan would counteract the Tokyo-Nanking economic and military treaty signed at Nanking which, according to the official **Central Daily News** was a mere scrap of paper and that the recognition by Prince Konoye, Japanese Premier, of the "puppet" regime would only intensify China's efforts at resistance. China's Foreign Minister, Dr. Wang Chung-wei, warned other countries that recognition of the "arch-traitor of the Republic" would be considered an "unfriendly act."

Thailand bombers raided Indo-China territory.

Shanghai's western district was blockaded by Japanese early on the afternoon of November 30, when a Japanese gendarme was shot by an unidentified Chinese gunman.

Chungking had its first air raid alarm since October 27. Japanese planes raided Chengtu.

⁂

December 2

Senator Walter F. George, Chairman of the powerful Senate Foreign Relations Committee, threw his full support behind the U.S. administration's loan policy, and called for a "firm stand in the Far East" on the part of the United States Government.

Mr. Yakichiro Suma, Tokyo Foreign Office spokesman discerned a "bright side" of the U.S. loan to China, which, he said, might help Japanese business interests in China in case the funds were used to stabilize China's currency.

A Nazi spokesman said the question of recognition by Germany of the Government of Wang Ching-wei in Nanking "would not arise for the time being," while the Soviet attitude also indicates continued support of the Chungking Government.

The Tokyo **Asahi** warned that discriminatory measures against Powers showing "hostility" towards Japan and the Nanking government, might be adopted in the future by Tokyo and Nanking.

A draft plan of the new Japanese economic structure embodying totalitarian principles of planned economy was reported to have been completed yesterday in the five-hour session of the Cabinet's economic conference, presided over Prince Fumimaro Konoye.

Nomura still sees hopes of better U.S.-Japan relations. He expressed the strong belief that all differences could be settled peacefully.

Reports from Lungchow claimed that the Chinese forces had reoccupied Chennankwan. The Japanese troops were said to have retreated to the Tongkin sector in French Indo-China.

⁂

December 3

General Li Tsung-jen, commander-in-chief of the Chinese forces in the fifth war zone, was instructed by the Chinese High Command in Chungking to reward the Chinese victors in Hupeh Province.

Japanese planes attacked the Yunnan-Burma Road twice and the Chingshan station along the highway was claimed to have been bombed, but no damage reported.

Generalissimo Chiang Kai-shek, at his regular Monday memoral meeting said that Japan's recognition of the Nanking Government would hasten foreign aid to Free China. Japan's recognition of Mr. Wang Ching-wei's regime insulted the intelligence both of the Japanese and the Chinese people, he declared. The Generalissimo blamed Prince Konoye, Japanese Premier, for Japan's plight for several reasons: firstly, for starting the Sino-Japanese war; secondly, for signing the anti-Comintern pact; thirdly, for defining Japan's "New Order" policy; and fourthly, for recognizing Nanking.

Following unanimous approval of the new China loan by the U.S. Congress Washington quarters revealed last night that U.S. might further send China planes and other war materials.

⁂

December 4

Far Eastern affairs loomed large on Britain's diplomatic front as Mr. Mamoru Shigemitsu, the Japanese Ambassador, called on Lord Halifax, the Foreign Secretary, while Mr. Quo Tai-chi, the Chinese Ambassador conferred with Mr. Richard A. Butler, Under-Secretary of State for Foreign Affairs.

Washington financial experts said that the U.S. loan would aid Chinese currency. The Tokyo **Miyako Shimbun** warned that "Japan may be forced to take up arms for the purpose of self protection" in view of the U.S. continued offensive acts.

Americans in Tokyo were convinced that the recent series of anti-Americans incidents in Japan was a thoroughly organized campaign to oust all foreigners from Japan, specially Americans.

The reports that Britain and Russia would follow U.S. in granting large credits to China were persistent in Chungking.

⁂

December 5

Air Marshal Sir Robert Brooke-Popham, Britain's new commander-in-chief of Far East Forces, reiterated Mr. Winston Churchill's declaration there would be a steady flow of British men and munitions to the Far East.

On December 4, the Soviet Ambassador to Japan, M. Smetanin called on Japanese Vice-Minister of Foreign Affairs Ohashi, and on the behalf of the Soviet Government made a statement that the Soviet Government deemed it necessary to state that the policy of the Soviet Union with regard to China remained without change.

Chinese claimed a crushing defeat, involving over 20,000 casualties, was in-

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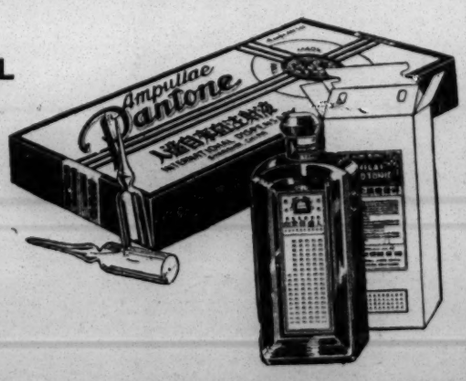

flicted on Japanese troops who carried out an attack in northern Hupeh. The Japanese were said to have employed one division in the Suihsien sector in Northern Hupeh and three divisions in the Chunghsiang Kingmen and Tangyang sectors, including reinforcements from Nanking and Hankow. The Tahungshan region was reported to be the objective of the Japanese offensive. The Japanese, claimed the Chinese military spokesman in Chungking, returned to Chunghsiang, Kingmen and Tantyang, thus ending Japan's offensive in that area.

Japan payed last tributes to Prince Kinmochi Saionji, the last of the Genro, at an impressive state funeral in Tokyo.

⁂

December 6

Cessation of all U.S. shipments of essential war supplies to Japan and diversion of them to Generalissimo Chiang Kai-shek, "free of charge, if necessary," was urged by Mr. Edward V. Izac, Democratic Representative of California, in an interview with **United Press.**

Colonel Itsuo Mabuchi, former Director of the Press Bureau of the Japanese Expeditionary Forces in China was formally appointed Director of the Press Bureau of the Army section of the Imperial General Headquarters. Meanwhile, Admiral Kichisaburo Nomura, newly-appointed Japanese Ambassador to the United States, announced plans to visit China before proceeding to the U.S. Joining the army and navy in criticizing the draft plan for a new national exonomic structure, executive directors of the Japanese National Service Association bitterly assailed the projected scheme as "not concrete" in contents, conception and definition.

Chungking Chinese quarters expected a big Japanese movement southward, after having failed to liquidate the China situation. A high Chinese authority estimated that Japan would use ten divisions for her operations.

⁂

December 7

Domei alleged from what it described as "reliable Chinese sources" that "negotiations for a secret Anglo-Chinese military alliance were now going on in Chungking between General Chiang Kai-shek and Sir Archibald Clark Kerr, British Ambassador to China."

Mr. Quo Tai-chi, Chinese Ambassador to Great Britain, yesterday continued his conversations for financial aid to China with Mr. C. R. Attlee, Lord Privy Seal, and Sir Kingsley Wood, Chancellor of the Exchequer.

The Japanese Emperor installed Mr. Kumataro Honda, former Japanese Ambassador to Germany and Turkey, as Ambassador to Nanking.

Severe fighting between Chinese and Japanese forces was reported to be going on in the central Yangtse valley, in the vicinity of Pengtseh, below Kiukiang, in northern Kiangsi. Chinghai, river gateway to Ningpo, was again the scene of Japanese aerial and naval bombardments as their troops tried to effect a landing Gen. Shi Yui-shan, Governor of Chahai Province, together with his brother, who were found guilty of disobedience, were executed according to a Chungking order.

Telegraph Monopoly

The Great Northern Telegraph Company, owned and operated by Danish interests, has announced its inability to accept messages between Japan and Manchukuo on the one side and China (exclusive of Hongkong and Macao) on the other side, as a result of Japan's action in seizing the Company's cable between Shanghai and Nagasaki. The Great Northern can continue to accept messages for transmission to Europe only, but is prohibited from accepting despatches for destinations in the Far East. In future all Sino-Japanese communications will be monopolized by the Japanese-controlled (and censored) Central China and North China Telecommunications companies. The Great Northern Telegraph Company built the first cable and telegraph lines in the Far East in 1870. It worked in close cooperation with the British Eastern Extension Telegraph Company, which is British-owned.

Who's Who in China

Chen Pai-kweng, born in Foochow, Fukien, 1877; Han-lin graduate of the Ex-Manchu Dynasty; Acting Chairman, the Provincial Government of Fukien; Head of the Financial Ministry of the Provincial Government of Fukien; Vice-chairman, the Provisional People's Assembly of Fukien; now, member of the Provincial Government of Fukien; addresses: Permanent, 65, Chu-chi Lane, Foochow; temporary, the Provincial Government of Fukien, Yung-an, Fukien.

Chen Pai-kweng
陳 培 鏗

Greek Steamer Detained By Japanese Authorities

Reported to have been sold by Mr. Emmanuel P. Yanoulatos, former Greek Consul-General in Shanghai, to a Panamanian firm in Hongkong the freighter Hellenic Trader (2,052 tons), which ran aground north of Hainan Island on December 3, was in trouble again this week, according to brief despatches from Hongkong. The vessel was being held by the Japanese authorities "for the purpose of investigating her nationality," it was learned, and a permit for her return to Shanghai had been refused.

Negotiations, it was also learned, had been opened with the Japanese by the Panamanian consular authorities in Hongkong for the release of the vessel.

The Hellenic Trader was proceeding to Indo-China to load coal for Hongkong when she grounded and sent out an S.O.S. stating that she was in danger of breaking up. While the salvage tug Henry Keswick was racing from Hongkong to the freighter's assistance, however, she was refloated by the tide. A Japanese warship was standing by and promptly ordered the vessel to Chuenchow, off Hainan Island, where she was detained.

Men and Events

Manners.

How very polite the Japanese:
They said to the French
"Move over, please.
Indo-China so very nice,
We believe that we shall have a slice."
And then they bowed and told the Dutch:
"We'll take the whole Indies.
Thanks so much."

—Merle Challoner.

*

O. G. Steen, Vice-President for the Orient, of the American President Lines, Ltd., departed last week for San Francisco on a business trip.

According to **Domei** the spirit of Christmas at the Tokyo American School, will be embodied in carols known as "Joy to the World," by Japanese.

*

H. B. Campbell, head of the Campbell Paint Company, is departing shortly for the United States and plans to make his headquarters for some time in Los Angeles. Mr. Campbell has resided in Shanghai for many years and is well known here.

*

Leading Japanese "rightists," according to **Domei**, met at the Nippon Club in Tokyo on Tuesday, Dec. 17 and formed a "League for the Emancipation of Races in Southeastern Asia." The number present was 66 and a resolution adopted stated that the league aims to liberate Southeastern Asia from the fetters of the European and American invasion of Asia.

*

Baron Leopold von Plessen, new Counsellor of the German Embassy in Chungking, arrived in the Chinese wartime Capital on Saturday, Dec. 14. He formerly was German Consul-General in Batavia, but was detained for several weeks and not permitted to depart from the Netherlands Indies. Baron von Plessen called on Hsu Mo, Political Vice-Minister of Foreign Affairs on Monday of this week and shortly will be received by Dr. Wang Chung-hui, Minister of Foreign Affairs, acording to **Kuomin** report from Chungking.

*

Norman Westwood, formerly general manager for United Artists Corporation in China, has announced his retirement from the business of cinema distribution, after 21 years of service in China, and hopes to proceed shortly to Vancouver, British Columbia, where he has a farm. Mr. Westwood was born in England and came to China originally as representative for Universal, with which he remained for 17 years prior to joining United Artists. Mr. Westwood is 51 years old and served with the Canadian forces in the world war.

*

Mrs. Florence Rush Nance, wife of Dr. Walter B. Nance, died of heart failure at their residence 625 Route de Sieyes, French Concession, on the night of Dec. 16. Mrs. Nance was 65 years of age and came to China 42 years ago. She and her husband, formerly President and now Acting President of Soochow University, resided in Soochow for many years and was well known in the Sino-foreign community there as well as Shanghai. Aside from her husband, Mrs. Nance is survived by three sons, Dana, Francis and Kaiser, all members of the medical profession. Dr. Kaiser Nance now resides in the United States. Funeral services were held at the Moore Memorial Church, Yu Ya-ching Road on Dec. 18, and were attended by a large number of foreign and Chinese friends and acquaintances of the deceased.

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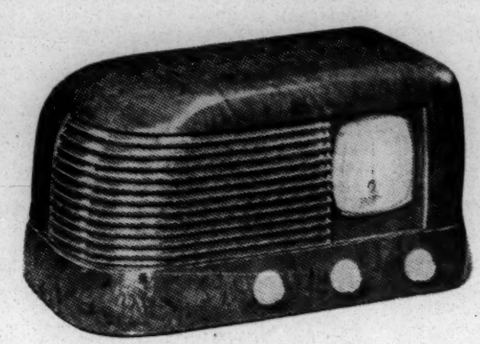

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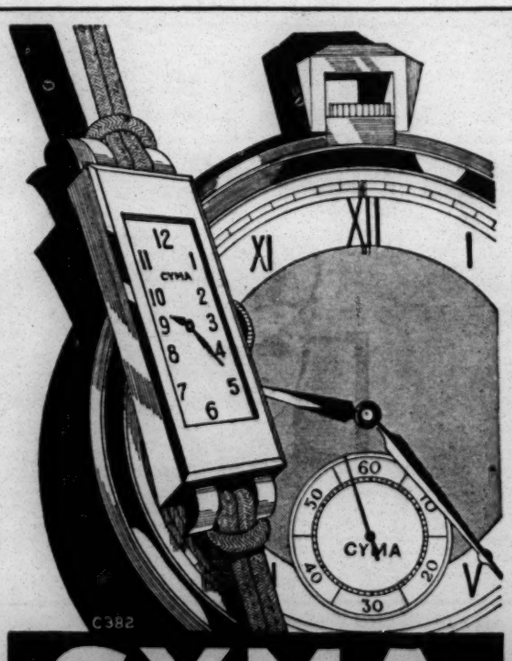

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佳節禮品

Judge Milton J. Helmick of the U. S. Court for China, departed early in the week on a trip to Tientsin, where he will hold a session of the U. S. Court. He plans to return to Shanghai in about two weeks.

•

Karl H. von Wiegand, for many years correspondent for Hearst's **International News Service**, stationed in Germany, arrived in Shanghai this week on a tour of the Orient. Mr. Von Wiegand is no longer connected with I. N. S., but is representing Mr. Hearst personally. He stated on arrival in Japan several days ago that he had been sent to the Far East by Mr. Hearst to find out whether a war in the Pacific "was inevitable." In an interview in the **Shanghai Evening Post** on Monday, Mr. Von Wiegand said that he found no bellicose spirit at all in Japan and many Japanese officials told him they hoped to find a way for reaching an amicable understanding with the United States.

•

Two Dutch youths received sentences of two weeks each in a police court trial on Friday, Dec. 13 at Batavia, Netherlands Indies, on a charge of circulating anti-Japanese handbills at the town of Bandoeng. The handbills were distributed on Dec. 1. One of the boys had completed his detention at the time the trial was held, while the other was released on two years' probation. The boys apparently were arrested as a result of complaints made by the Japanese Consul-General at Batavia. The judge strongly cautioned the boys against a repetition, stated the Japanese report of the incident in Tokyo.

•

The China Tea Corporation, Government-controlled organ, has launched a drive to increase China's tea production, according to a report from Chungking. It was claimed that the contract signed by Chou Ching-wei, on behalf of the Chinese tea interests, to supply the Soviet Union with 6,000,000 catties of tea, valued at Ch.$100,000,000, will make it necessary for China to greatly increase production. A report from Hongkong stated that the first consignment of tea to Russia was sent to Vladivostok on a Soviet ship from Hongkong last week. The Soviet Union annually takes about 65% of China's tea production.

James A. Thomas, Jr. of White Plains, N. Y. gave the audience at the Madison Square Garden National Horse Show in New York City, Nov. 10, its greatest thrill when he won two championships in one day. Young Thomas is but 16 years old and is the son of

James A. Thomas, Jr., and Egypt's Enchanting Queen.

the late James A. Thomas, former head of the British-American Tobacco Company in China. He was given an ovation by admiring friends after he had won both the Good Hands and the Maclay championships for the first time it had been accomplished since the title events were instituted. The double victory capped six years of effort for Master Thomas and brought him into national prominence as he had previously won a long list of events at various horse shows in eastern U. S. Young Thomas started riding when he was 4 years old and has practically been "raised on a horse," according to a column-long article in the **New York Times.** He is a senior at Deerfield Academy, Deerfield, Mass. and has made the football, baseball and lacrosse teams. He is shown in the picture with his favorite, "Egypt's Enchanting Queen." He resides at White Plains with his sister Eleanor and his mother, who was, before her marriage to Mr. Thomas, Dorothy Read, a niece of former Secretary of State, Robert Lansing.

•

The Russian Institute for Eastern Research, according to **Tass,** has published a guide for China study, which contains a historical survey and reports dealing wwith Chinese economics, politics, industries, agriculture, military development and culture. The book was compiled by Soviet experts on various phases of Chinese life.

How To Help Children Enjoy Their Christmas.

For weeks children look forward to the festive season, counting the days to Christmas, and great is their disappointment if at this time they are laid low by sickness and unable to attend parties and enjoy the general fun. These same parties, too, frequently upset the delicate little stomachs.

One of the surest ways to keep children in good health and to ward off the ill-effects of too much rich food is to give an occasional dose of Baby's Own Tablets. These pleasant-tasting tablets have for forty years been the help of mothers and the friend of children, due to their absolute purity and proved efficacy.

The prescription of a medical child-specialist, Baby's Own Tablets, are the ideal treatment in little children's health troubles. They speedily correct infantile constipation, settle upset stomach, relieve colic, check diarrhoea, allay simple fever, expel worms, ease teething pains, and are beneficial in cases of croup and colds. Obtainable at all chemists.

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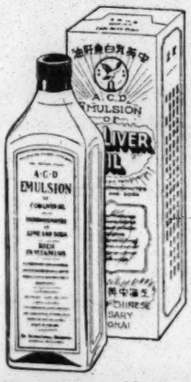

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Winter weather prevailed in Peiping this week with the thermometer standing at 4 degrees below Zero centigrade with more than 5 centimeters of snow, which was reported as "still falling."

*

The German Government, on Dec. 12, refused permission for Edward Reed, retiring Charge d'Affaires at the U. S. Embassy in Rome, to return to the United States by way of Germany, according to a **United Press** report from Rome.

*

Professor Paul Marcel Granet of the National School of Oriental Languages and President of the section of Religious Studies at the Sorbonne Practical School, Paris, died recently. Prof. Granet also was administrator of the Institute of Higher Chinese Studies at the University of Paris and was regarded as France's greatest contemporary Orientalist.

*

A Provisional College of Political Science has been established at Chungan, northern Fukien, by the Kiangsu and Anhwei Provincial Governments. The inauguration ceremonies were attended by some 400 local educational leaders and representatives of the Kiangsu, Anhwei and Fukien provincial authorities. The Institute will train political workers for service in the war zones in Kiangsu and Anhwei and will be under the provincial departments of education.

*

The Soviet authorities have established an exploration base on Arseniev Island in the Arctic, according to a **Transocean** report from Moscow on Dec. 13. The report stated that the Soviet ice-breaker Nord had arrived at the Nordenskiold Sea, off the northern coast of the Taimyr Peninsula. The ice-breaker will remain in that area all winter in order to enable a number of scientists on board to engage in research work on Arctic conditions, particularly affecting navigation.

*

The Chinese Engineering Society met at its 9th annual conference at Chengtu, capital of Szechuen on Dec. 13. Chen Li-fu, Minister of Education and Chairman of the Society, presided at the opening session. Aside from local officials, there were 316 members of the Society present at the opening meeting. Messages of greeting from Gen. Chiang Kai-shek and Dr. H. H. Kung were read and an address was delivered by Gen. Chang Chun, Chairman of Szechuen. The first discussion was concerned with the industrialization plan for the nation which was formulated by the late Dr. Sun Yat-sen. All speakers stressed the necessity of making China self-sufficient and independent industrially and economically. Six proposals for the industrialization program were discussed and adopted. Much attention was paid to the question of air-defense engineering and engineering problems concerned with communications. The International Broadcasting Station at Chengtu was inspected by the delegates and visitors.

Major Marti Fabra, member of the Spanish General Staff, who accompanied the Spanish Economic Delegation to Japan last summer, delivered a lecture on his trip before a large crowd of Spanish officials at the Madrid Naval Museum on Dec. 15, The Ministers of Japan and Manchukuo also were present. Major Fabra's lecture dealt with the economic situation and social life in Japan.

*

The National Aviation Commission in Chungking is planning to give exhibitions in gliding in the varous provinces of west and southwest China. The Commission has constructed 100 gliders and 400 more are under construction, stated the report. They are being built entirely of native materials. The object of the demonstrations is to stimulate interest in aviation.

*

The German **Transocean** news service, which distributed several stories to Shanghai newspapers referring to alleged suspicious circumstances surrounding the sudden death of Lord Lothian, British Ambassador to the United States, finally issued a brief radio item from Washington on Dec. 13 stating that Lord Lothian "was a Christian Scientist and until the last objected to calling a physician....therefore no medical practitioner was called until death was near at hand."

*

Part of the stock of silver at Tientsin, property of the Chinese National Government, which was handed over to the Japanese by the British authorities at the northern Chinese port, has been shipped to an "undisclosed destination," according to a **Reuter** report from Peiping. The silver, valued at about 200,000 pounds sterling, was stored in the Yokohama Specie Bank. Under the Anglo-Japanese agreement the proceeds from the sale of the silver will be used to purchase flour for the relief of destitution in north China. Although unstated, the silver probably will be sold to the U. S. The flour was purchased in Australia.

*

An unusual case was heard at the First Special District Court on Dec. 12 when Dr. Wang Tsengchia, head of a clinic at 200 Ave. du Roi Albert, French Concession, ordered the arrest of his daughter, Miss Wang Wen-ying, 21-years old. He charged that Miss Wang had stolen three suits of his clothes, silver tableware worth $2,000 and other articles and had squandered the money at local gambling houses in the "badlands." Dr. Wang said that his daughter had met young men of bad character at gambling houses and accompanied them to Chinese hotels on Yu Ya-ching Road. Warrants also have been issued for the boys, but they have disappeared. The girl became repentant when she appeared in court and cried out for her father to save her from going to jail, but Dr. Wang said he could do nothing as the case was in the hands of the police, who remanded her for detention pending further investigation.

New Books of Interest in the Far East

Britain and China

BRITISH RELATIONS WITH CHINA: 1931-1939. By Irving S. Friedman, Department of Government, Brooklyn College. I.P.R. Inquiry Series. Institute of Pacific Relations, Publications Office, 129 East 52nd Street, New York. 1940. 228 pages, bibliography and index. U. S. Currency $2.00.

Mr. Friedman's book on British Relations with China follows a mainly chronological treatment of the years 1931-1939 from the viewpoint of British relations and policy. The date 1931 as a starting point is chosen because Japan's invasion of Manchuria in that year "opened a new chapter in Chinese history and in Sino-British relations. Henceforth the main threat to the British position in China no longer came from Chinese naionalism which aimed at an independent China, but rather from Japanese imperialism."

British business investments in China in 1931 "about £178 million, of which over £150 milion was in Shanghai—an indication of the overwhelming importance of Shanghai to the British, whose total investment in China in 1931 amounted to about £236 million." British shipping carried a larger total tonnage of the foreign trade of China than that of any other nation, but during the past three years British interests have been squeezed out by Japanese actions in North China, the Yangtze valley and South China by the familiar methods of monopolies, export prohibitions, exchange control, tariff revisions, inefficient telegraph service—to mention a few only, so that the development of a new trade from Rangoon as a substitute for Shanghai was one of the major changes that resulted.

Britain's policy in respect to the events of 1931-1932 was weak; it is pointed out; her actions were more favorable to Japan than to invaded China. But a reversal of this policy began with the arrival of the Leith Ross Mission which had as its purpose economic cooperation with China and the re-creating of opportunities for British long-term investments. Japan took great objection to such financial assistance. O. M. Green is quoted to this effect: "There is little doubt that China's growing prestige abroad, and especially its intimacy with Great Britain... was a large ingredient in the soliders' decision that they must strike before China became too strong." Evidence of the continuous stiffening of British policy were the landing of bluejackets along with American bluejackets at Kulangsu, Amoy, in May 1939, and the rejection by the Kulangsu Municipal Council of the demands made by the Japanese, and in the holding out against the Japanese blockade of Tientsin during the same months.

Britain's trade at Tientsin has actually increased during the past three years, but only because trade at Tsingtao and at other ports was practically closed and more trade was thus diverted to Tientsin, Japan's trade increases there being in fact much greater than those of Great Britain.

The Kailan Mining Administration and the B.A.T. have prospered better than other British enterprises in the north only because "they supply commodities of which the Japanese are in need." In the Yangtsze area are a few similar exceptions: the Hongkong and Shanghai Bank, the Ewo Cotton Mills and the Shanghai Waterworks Company are cited as instances of British enterprise prospering under the war conditions.

Hongkong, on the other hand, has been adversely influenced since the Japanese capture of Canton in October 1938. With the great losses in her trade Great Britain has become more and more confirmed in a policy of aiding the National Government of China in its war of resistance to Japanese aggression. Britain's most recent loan to gression. Britain's most rrecent loan to China, following hard upon the announcement of a new American loan, only strengthens the point made in Mr. Friedman's study: that Japan by her actions has pushed Britain into a policy quite different from that of 1931.

D. R.

Impact of the West

JAPAN'S EMERGENCE AS A MODERN STATE: Political and Economic Problems of the Meiji Period. By E. Herbert Norman. I.P.R. Inquiry Series. Institute of Pacific Relations, Publications Office, 129 East 52nd Street, New York. 1940. U.S.$2.00.

The book under review is one of the Inquiry Series of publications of the Institute of Pacific Relations, a number of which have been reviewed in this book column, including G. C. Allen's book, **Japanese Industry: Its Recent Development and present Condition,** and Miriam S. Farley's (**The Problem of Japanese Trade Expansion in the Post-War Situation,** as well as T. A. Bisson's) **American Policy in the Far East: 1931-1940.** Another book of the same series, Irving S. Friedman's **British Relations with China: 1931-1939,** also is just out. Those who are interested individually or collectively in making a study of the Far Eastern situation will find that the I.P.R. series of publications will serve them well.

Mr. Norman's book, which maintains the character of the series and is indeed one of the best in the series takes the reader back to the political and economic problems of the Restoration and the early Meiji period. The decay of the Tokugawa feudal regime and the impact of the West through the forcing of the closed door serve to explain the anti-feudal policy of the early Meiji government, whose leaders chose a policy of internal reconstruction in preference to the path of foreign conquest in Korea in 1872-73 which was urged by the unreconciled feudal clan leaders. A chapter of thirty pages describes Japan's early industrialization and is followed by another of equal length on the early agrarian settlement and its social consequences. These chapters with their footnotes based on many Japanese sources make fresh and interesting reading and lend more than formal interpretation to the topic, "Parties and Politics," which, together with a short concluding chapter, brings the study to a close. The book has a bibliography and an index.

The break with the past in 1868, Mr. Norman points out, brought the feudal aristocrats into coalition with the merchants, with a resulting monopoly system in banking and industry, which is the chief characteristic of Japan's economic life today. As a Japanese economist puts it, the Meiji statement were "the last of the mercantilists," or as Moulton expresses the same thought they were "the first planners of a national economy." The government itself took control of strategic industries and services as means of national defense in the face of a real danger from foreign aggression. By 1880 the government was ready to transfer certain industries to private ownership but still retained 66 per cent of investments in transport and 51 per cent in iron and steel. The greater the state enterprise the greater was the tendency toward bureaucracy. The structure was "built

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from the top downwards, upon the ruins of the old."

The burden fell on the agricultural community "at whose expense the accumulation and centralization of capital was carried out." The feudal lords had at least seen to it that their peasants had "just enough to live on and no more," but the growth of capitalist industry ruined the domestic industries which gave the agrarian class the little surplus they could hope to have; and in addition the farmer had to buy in the market what formerly he got from his own and the common land, which latter was taken over by the government. Mr. Norman goes on to show that Japanese Liberalism "had its roots in the countryside," where not only indebted farmers, but landlords also led opposition to government subsidies to industry and finance. The Constitution was a gift of the Emperor, hence therre was no question of altering it; the only way opening out to more democracy was by altering the suffrage, and this was the reform path taken, with considerable ultimate success.

Only in the matter of Japanese expansion need one take objection to Mr. Norman's interpretation. "History," he writes, "is a relentless task-master, and all its lessons warned the Meiji statesmen that there was to be no halfway house between the status of a subject nation and that of a growing, victorious empire whose glory, to paraphrase that gloomy realist Clemenceau, is not unmixed with misery." The idea that there is "no halting place between the conquering and a conquered nation" is dramatic, but untrue. Japan again needs the statesmanship of Okubo, Iwakura and Kido, who opposed aggressive war. Voltaire spoke wisely when he said let us cultivate our own gardens.

D. R.

Bishop Ward Warns War Looming

Bishop Ralph A. Ward of the Methodist Church, who is now making a tour of west China spoke over the Chungking radio on Dec. 13. He declared that the United States is "dangerously near war, but would not strike the first blow if the government could help it." He said that public opinion in the United States had developed to such an extent that neither the President nor Congress could forestall America's involvement in war if some nation committed a warlike act against America. Bishop Ward said he had just completed a six months' lecture tour of the United States and was familiar with public sentiment.

Japan-American War Predicted

Dr. A. L. Warnshuis, secretary of the International Missionary Council, expressed the opinion that a war between the United States and Japan was inevitable, in the event the United States continued its present policy in the Pacific. Dr. Warnshuis' views were expressed at a meeting of the Federal Council of the Churches of Christ in America. He urged Americans not to assume a "holier than thou attitude." Dr. A. W. Palmer, President of the Chicago Theological Seminary, urged the members of the Council to arrange a conference of American churchmen and government officials to discuss the problem of relations with Japan. He urged economic concessions to Japan as a means of avoiding war.

In the United States Court for China

IN RE: ESTATE OF BERT N. NELSON, Deceased.

Cause No. 4560
Spec. Proc. No. 2439
NOTICE
Filed at Shanghai, China,
Dec. 16, 1940
WILLIAM T. COLLINS
Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the Estate of Bert N. Nelson, deceased, to present the same with vouchers to the undersigned on or before June 15th, 1941, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Myron Wiener.
Administrator ad Colligendum of the Estate of Bert N. Nelson, deceased.

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In the United States Court for China

In re: Last Will and Testament of HUGH WATT WHITE Deceased

Cause No. 4548
Special Proceedings No. 2427
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of HUGH WATT WHITE, deceased, to present the same with vouchers to the undersigned on or before July 1st, 1941, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

H. MAXCY SMITH,
Executor
c/o Associated Mission Treasurers
Shanghai

Shanghai, China.
December 4, 1940.

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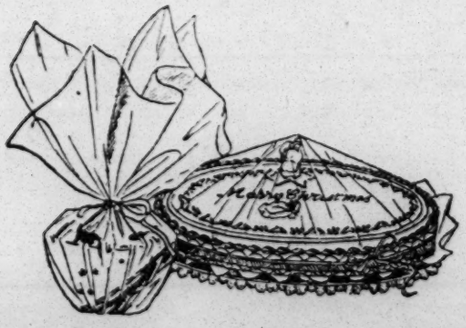

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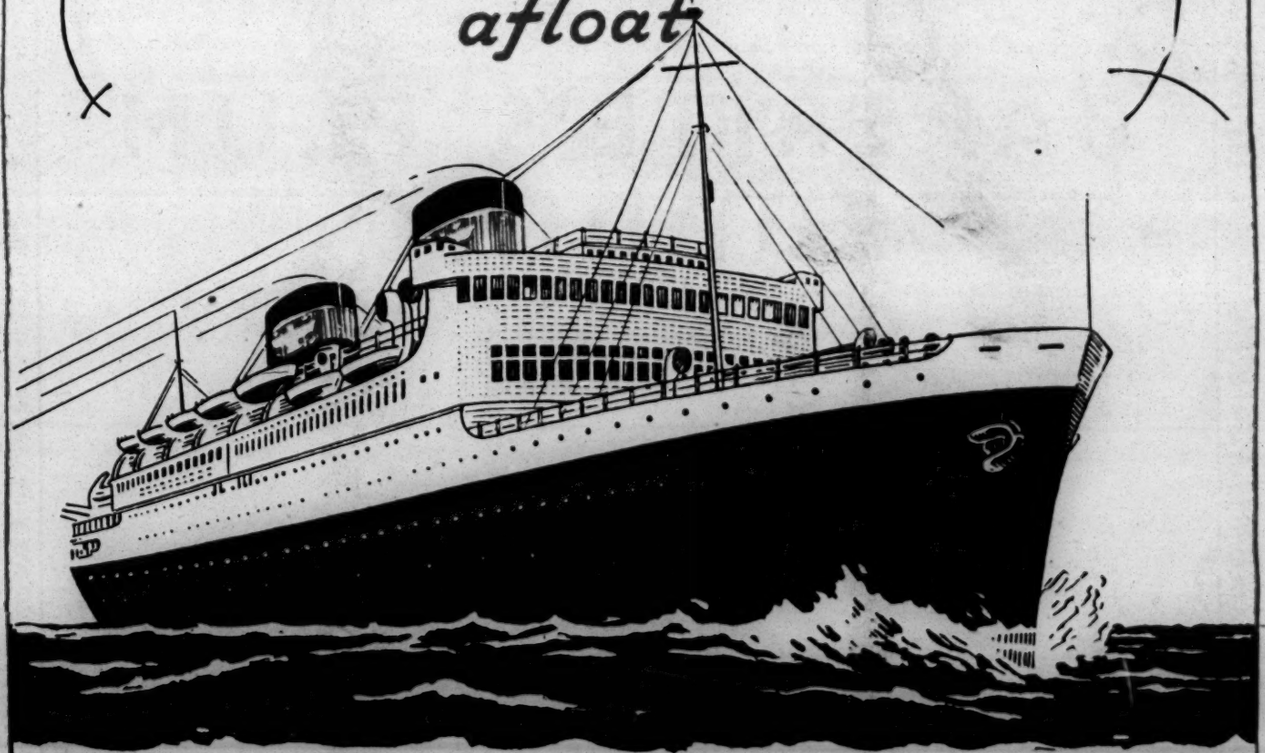

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